

17. Fleet Management Program

Overview

This section discusses the following topics:

- Driver Safety Responsibilities
- Driver Eligibility Requirements
- Safe Driver Program
- Company Motor Vehicle Standards
- Vehicle Use Rules
- Company Fleet Policies
- Vehicle Accident Review Policy
- Driving While Impaired / License Suspension Policy

Note: Refer to Section 19, Injury, Accident, and Loss Reporting, for information about reporting automobile accidents and stolen vehicles.

Note: This Section applies to all Permissible Drivers of company vehicles and employees who drive personal vehicles on company business more than 50% of the time. A Permissible Driver is anyone who is given permission to drive a Company Vehicle including employees, employee spouses and other non-employee contractors or temporary workers.

References

National Safety Council
National Cellular Safe Talk Center

Driver Safety Responsibilities

Driver safety responsibilities are listed below:

1. Permissible drivers must be at least 18 years old and have a valid motor vehicle license issued by the state of their current residence and may be required to provide proof of valid motor vehicle license once every six (6) months. Permissible drivers must notify supervisor or Human Resources within 48 hours of a suspended or revoked license.
2. Permissible drivers shall obey all applicable traffic and parking regulations, ordinances and laws.
3. For applicable drivers, obey all sections of the Motor Carrier Safety Act of 1986 (CDL license and driver logs).
4. Drive in a safe, lawful and courteous manner at all times.
5. Inspect the vehicle prior to travel. Report any deficiencies to your supervisor.
6. Know what to do in case of an accident. Report all accidents to your supervisor immediately. Refer to the Loss Notice form in the Forms Appendix.
7. Always lock your vehicle when unattended and out of your direct line of sight.
8. The use of any substance that impairs driving ability is prohibited. Any permissible driver charged or cited with operation of a vehicle while under the influence must report the incident to the supervisor or Human Resources within 48 hours.
9. Wear seat belts at all times, even in the back seat.
10. No unauthorized passengers are allowed in company vehicles at any time. Any person under 18 is considered an unauthorized passenger.

Permissible Driver Eligibility Standards

Granting Company Driving Privileges

The following requirements must be met before Company Driving Privileges are granted:

- Must be 18 years of age or older.
- Verification of current drivers license, which must be issued in the driver's state of residence or, if required by state law, the license is issued in the state where the person is employed.
- A motor vehicle report reflecting a minimum of three year's driving history. The MVR shall be requested from state currently issuing license, but may also be required for previous state of residency if current license is less than three years old.
- A New Driver Eligibility Form (see Forms Appendix) must be completed and evaluated by Human Resources. A score of five (5) or higher must be reviewed by Risk Management and approval of company driving privileges may require additional training and/or probationary conditions.
- Satisfactory completion of Defensive Driving and Fleet Management Policy Training Modules.

Maintaining Company Driving Privileges

Permissible drivers are required to operate vehicles in a safe manner at all times. A Driver Evaluation Program has been developed to measure an employee's risk level, which can result in recognition, warnings, remedial training, probation or revocation of company driving privileges.

A Driver Evaluation will be conducted (1) post-accident, (2) assignment of a company vehicle, (3) reassignment of a company vehicle, (4) based upon MVR activity or (5) as needed by supervisor, Human Resources or Risk Management.

FairPoint shall assign points against each permissible driver based upon a series of offenses and violations. Permissible drivers are then assigned a Risk Class based upon the number of accumulated points over specific time periods.

For **D** and **F** Risk Classes, company driving privileges will be determined by a Driver Management Review Board consisting of Local Manager, Functional VP or Director, Human Resources, Risk Management and General Counsel.

Driver Evaluation – Point System

Offenses / Violations	Points
Conviction of an alcohol or substance abuse related driving offense	10
Conviction of Negligent Homicide	10
Using a motor vehicle for the commission of a Felony	10
Conviction of Manslaughter/Aggravated Assault	10
Conviction of Hit and Run	10
Conviction of Grand Theft Auto	
Refusal to submit to a Blood Alcohol Content (BAC) test	7
Conviction of Reckless Driving	7
Non-disclosure, failure to report accidents or violations within the Company's allotted time frame, failure to follow Company Fleet Management Policies, failure to follow mandated guidelines	5
Excessive Speed / +25 m.p.h.	5
Preventable Accident – Total damages \$10,000 or greater	5
Preventable Accident – Total damages less than \$10,000	3
Conviction of a moving violation	1
Incident / Non-preventable accident	1

All points will remain on the driver's record for a period of thirty-six (36) months before they are removed. Infractions that have been removed from the driver's current record, shall; however, still be considered when Driver Evaluations are performed (see Driver Evaluation Form in Forms Appendix).

Any non-employee permissible driver with a score over five (5) points will automatically have their company driving privileges permanently revoked.

Employee Driver Risk Class

Risk Class	Allowable Points	Time Period (Months)	Company Action
A	0 – 1	12	<ul style="list-style-type: none"> Inclusion in Safe Driver Program – no moving violations allowed
B	2 – 3	12	<ul style="list-style-type: none"> Verbal Warning Discussion between Manager and Employee regarding record & desired improvement Review Fleet Management Policy
C	4 – 6	12	<ul style="list-style-type: none"> Written Warning Discussion between Manager and Employee regarding record & desired improvement Retake Defensive Driving Course Review Fleet Management Policy
D	7 – 9	24	<ul style="list-style-type: none"> Written Warning Suspension w/o pay is recommended 90-day Probation 24-hour vehicle assignment revoked Discussion between Manager and Employee regarding record & desired improvement Remedial Driver Training Review Fleet Management Policy If permanent transfer to non-driving position is unavailable, an assessment by the Driver Management Review Board is mandatory May be subject to immediate termination
F	10 or more	24	<ul style="list-style-type: none"> Written Warning Suspension w/o pay mandatory 90-day Probation 24-hour vehicle assignment revoked Discussion between Manager and Employee regarding record & desired improvement Remedial Driver Training Review Fleet Management Policy If applicable, see Driving While Impaired/License Suspension Policy All company driving privileges revoked until reviewed by Driver Management Review Board May be subject to immediate termination

Safe Driver Program

Policy

It is the policy of FairPoint Communications to recognize and reward Company drivers for sustained superior driving performance where driving is a major and integral element of work.

To help reduce the injuries, damages and operational costs of motor vehicle accidents, FairPoint is teaming up its companies to recognize drivers for their safe driving habits. Employees of all organizations who are assigned to full-time operation of motor vehicles on official business are eligible to participate in the full-time drivers program.

ELIGIBILITY

To be eligible for an award, an employee must permanently occupy a position that requires daily operation of a company-owned, leased or rented motor vehicle as a major and integral element of work and during each calendar year:

- Work in an eligible workgroup at least 200 working days. If employee does not meet 200 working days in a calendar year, such employee will lose driving credit for that award year only, but will not lose the safe driving record previously accumulated.
- Maintain an **A Risk Class** for cumulative award terms
 - 3 Year
 - 5 Year
 - 10 Year
 - 15 Year
 - 20 Year
 - Each year beyond 20 years
- An eligible driver with a **B-F Risk Class** must wait until he or she reaches an **A Risk Class** before cumulative award terms are counted.
- Companies acquired on or before January 1st, 2002, are grandfathered to a 5-year Safe Driver Award eligibility. Eligibility will be determined on driving record before and after date of acquisition.
- Companies acquired on or before January 1st, 2004, are grandfathered to a 3-year Safe Driver Award eligibility. Eligibility will be determined on driving record before and after date of acquisition.

- All others are eligible starting from January 1st, 2007.

AWARDS

The FairPoint Safety Council will approve all Safe Driving Record awards. Below is a representative list of such awards, but recognition prizes are subject to change.

3-year Safe Driving Record:	Certificate, Safe Driver Pin w/3-years device.
5-year Safe Driving Record:	Certificate, 5-years device for pin, FairPoint Safe Driver Clothing
10-year Safe Driver Record:	Certificate, 10-year device for pin, FairPoint Safe Driver Clothing, \$100 Gift Card
15-year Safe Driver Record:	Certificate, Special Safe Driver Pin w/15-year device, FairPoint Safe Driver Clothing, \$150 Gift Card
20-year safe Driving Record:	Certificate, Special Safe Driver Pin w/20-year device, FairPoint Safe Driver Clothing, \$500 Gift Card
20+ year safe Driving Record:	For each year following the 20-year safe Driving Record, the driver will be recognized with a Certificate, FairPoint Safe Driver Clothing and a \$100 Gift Card

Company Motor Vehicle Standards

Motor vehicle standards have been developed to maximize safe driving and work operations and provide guidelines for company marketing opportunities. The standards address general guidelines, vehicle color, reflective markings, marketing guidelines and lighting. All standards work together to assure maximum visibility and safety for field operations.

General Guidelines

Each Company vehicle shall be equipped with the following:

- State mandated documentation including registrations, certificates of inspection, etc.

- Valid Auto Insurance Card
- Accident Reporting Kit
- First Aid Kit (see Section 3 for specifications)
- One (1) ABC 3.5 – 7.5 pound fire extinguisher
 - CDL rated vehicles must have two (2) extinguishers
- Three (3) 36” Orange PVC Traffic Cones (minimum)
 - Passenger cars not used in work zones don’t need traffic cones

Service Vans

The driver/passenger compartment shall be separated from the rear cargo compartment by a metal and or Plexiglas barrier capable of protecting the driver and passenger from additional injury by objects flying forward in the event of an accident. Care should be taken to insure that stamped or extruded metal screens do not have sharp edges.

The cargo area should have sufficient quantity and type of storage shelving and bins to accommodate the day-to-day storage of tools and supplies. These bins and shelving shall be secured to the vehicle in such a manner as to keep them from dislodging in the event of an accident.

Service Pick-Up Truck

If the pick-up is a “king-cab” or “crew-cab” no tools or equipment shall be carried in the passenger compartment that is not stored in an approved container permanently attached to the vehicle.

Unless the pick-up is equipped with a *lockable* service body, camper shell or bed cover, any tools carried in the bed must be placed in the passenger compartment when the vehicle is unoccupied and moved back into the bed when the vehicle is moving – lockable tool boxes or lockable covers are therefore highly recommended.


Color

All non-executive owned or leased company vehicles shall be white. Any non-white company vehicles currently in service shall be cycled out as scheduled and replaced with white vehicles.

For the protection of employees, company vehicles will include reflective markings so others will perceive the auto as a whole object and be able to judge site and orientation.

Reflective Markings

1. Non-executive Private Passenger (sedan, suv, etc.)

- **Conspicuity Tape** 
 - If doors do not have a light on the interior door panel, then conspicuity tape is required
 - 1 – 6” piece of 1x3 tape mounted so as to reflect when door is open
 - To be placed inside all doors on vehicle
- **Pin Striping**
 - 1 – 1” stripe (monochrome) or 2 – ½” stripes (dual color)
 - Must be reflective material
 - To be placed on each side of vehicle from front of vehicle to rear of vehicle
 - Vertically, the pin striping shall be located between the bottom edge of the window and top of door handle
- **Company Logo**
 - 2 small logos made of reflective material
 - One logo each on front driver and front passenger doors
- **Front License Plate**
 - In states that do not require a front license plate, a license plate shall be mounted that includes the company logo printed in reflective material or black logo affixed to reflective license plate.

2. Pick Up Trucks & Commercial Vans

- **Conspicuity Tape**
 - 1 – 6” piece of 1x3 tape mounted so as to reflect when door is open
 - To be placed inside all doors on vehicle
- **Pin Striping**
 - 1 – 1” stripe (monochrome) or 2 – ½” stripes (dual color)
 - Must be reflective material
 - To be placed continuously from the headlamp on the driver’s side, across the rear of the vehicle to the headlamp on the passenger’s side.
 - Vertically, the pin striping shall be located between the bottom edge of the window and top of door handle
- **Company Logo**
 - 2 large and 1 small logo made of reflective material
 - One large logo each on front driver and front passenger doors
 - One small logo on rear of vehicle
- **Front License Plate**
 - In states that do not require a front license plate, a license plate shall be mounted that includes the company logo printed in reflective material or black logo affixed to reflective license plate.
- **Caution Signage**
 - “Caution – Vehicles Makes Frequent Stops”

- Red lettering – reflective background
- Mounted on rear of vehicle

3. Heavy Trucks (Derricks, Diggers, Buckets)

- **Conspicuity Tape**
 - 2 – 12” strips of 1x3 tape mounted on rear truck body
 - 2 – 12” strips of 1x3 tape mounted horizontally not less than 3 feet from the ground on both driver and passenger sides of vehicle
 - 1 – 6” piece of 1x3 tape mounted so as to reflect when door is open – inside all doors on vehicle
- **Pin Striping**
 - 1 – 1” stripe (monochrome) or 2 – ½” stripes (dual color)
 - Must be reflective material
 - To be placed on each side of vehicle from front headlamp to rear of truck cab
 - Vertically, the pin striping shall be located between the bottom edge of the window and top of door handle
- **Company Logo**
 - 2 large logos made of reflective material
 - One large logo each on front driver and front passenger doors
- **Front License Plate**
 - In states that do not require a front license plate, a license plate shall be mounted that includes the company logo printed in reflective material or black logo affixed to reflective license plate.
- **Caution Signage**
 - “Caution – Vehicles Makes Frequent Stops”
 - Red lettering on reflective material
 - Mounted on rear of vehicle

4. Tractor-Trailer Trucks

- **Conspicuity Tape**
 - Per DOT Codes
- **Pin Striping**
 - 1 – 1” stripe (monochrome) or 2 – ½” stripes (dual color)
 - Must be reflective material
 - To be placed on each side of vehicle from front headlamp to rear of truck cab
 - Vertically, the pin striping shall be located between the bottom edge of the window and top of door handle
- **Company Logo**
 - 2 large logos made of reflective material
 - One large logo each on front driver and front passenger doors
- **Front License Plate**

- In states that do not require a front license plate, a license plate shall be mounted that includes the company logo printed in reflective material or black logo affixed to reflective license plate.

5. Flat Trailers – Over 80” Long

- **Conspicuity Tape**
 - 2 – 12” strips, mounted apart, on each side of trailer – left, right and rear

6. Box Trailers

- **Conspicuity Tape**
 - 2 – 12” strips, mounted apart, on each side of trailer – left, right and rear
- **Pin Striping**
 - 1 – 1” stripe (monochrome) or 2 – ½” stripes (dual color)
 - Must be reflective material
 - To be placed continuously around all four sides of box trailer near the vertical mid-point of trailer
- **Company Logo**
 - 2 large logos made of reflective material
 - One large logo mounted on right and left sides of box trailer

Marketing Guidelines

In addition to company logos addressed in the previous section, the following provide guidelines to accommodate additional company marketing proposals while still ensuring maximum visibility.

- Marketing graphics should not cover more than 30% of the vehicle’s body
- Dark toned (black, dark brown) graphics are not recommended
- Additional graphics should avoid obstructing windows, driver’s vision and required reflective markings
- Recommend adding a reflective element to any additional graphics to compensate for the loss of visible white auto body

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Lighting



1. Field Service Vehicles (all types)

- **General Duty Strobe - Required**
 - A DOT Class 1 (SAE J1318) approved amber strobe shall be mounted at the highest point on the vehicle (not to include lift or derrick assemblies).
 - Strobe must be visible in all directions (360 degrees) for at least 1,000 feet during daylight hours. A secondary 360 degree light may be required at the rear of the vehicle if equipment obstructs the visibility of the primary light.
 - Photocell for automatic “night” mode switching
 - Joule Rating: 19.5 joules, 21 Watts
 - Flash Rating: 65 QFPM
- **General Duty Integrated LED Rear-Flashers - Required**
 - Two DOT Class 1 (SAE J1318) approved amber synchronized; multi-flash auxiliary warning lights shall be mounted on the rear face of the vehicle in such a manner as to provide optimal line of sight warning.
 - 6” oval amber flashers
 - Flash Rate: 72/min (Quint)
- **Optional Lighting**
 - Traffic Directing Stick – Incandescent or LED
 - Any additional lighting must meet DOT Class 1 requirements



2. Non-Field Service Vehicles (all types)

- Company vehicles (engineering, supervisors, etc.) not outfitted with permanent warning lights will utilize a magnetic mounted general duty strobe light while in the field
- DOT Class 1 Rated (SAE J1318) amber strobe light
- Joule Rating: 15 Joules
- Flash Rating: 65 DFPM



Vehicle Use Policy

The purpose of this policy is to set forth the guidelines under which Company vehicles will be authorized to Company personnel or other non-employee permissible drivers and the guidelines under which Company vehicles may be used. Any exceptions to this policy must be approved by Risk Management **and** the Chief Operating Officer or President.

It is the policy of the Company that certain positions or projects require employee and/or non-employee access to Company owned, leased or rented vehicles, either during the work shift or on a 24-hour on-call basis. Company vehicles are not personal vehicles and are **not for personal** use.

The assignment of Company vehicles during work time is based upon job description. Appointing authorities who have Company vehicles available for this purpose may assign such vehicles in a manner consistent with departmental workload and employee function. The assignment of vehicles may be rescinded at any time by Regional Operations Managers/Directors, Risk Management or Human Resources.

Vehicle use is limited to travel to and from the residence and place of work. The vehicle should be driven over the most direct route taking into account road and traffic conditions. The vehicle should not be utilized for travel outside a direct commuting route for personal reasons.

Employees and other permissible drivers who are assigned branded Company vehicles carrying tools and meeting certain other eligibility criteria will not be subject to imputed income taxation as a result of the vehicle assignment.

Rules Governing Use

- Company vehicles will not be used to transport passengers who are not directly or indirectly related to Company business. Passengers shall be limited to Company employees and individuals who are directly associated with Company work activity (business clients, consultants, contractors, etc.).
- Spouses, who meet the Permissible Driver Eligibility Standards, may be granted company driving privileges upon review and approval by Human Resources and Risk Management. Any spouse, who is granted company driving privileges, is bound by all Company Fleet Management practices and policies. This privilege may be revoked at any time by FairPoint Management's sole discretion.

- At no time are minors under the age of 18 allowed to be transported in Company vehicles.
- Vehicles should contain only those items for which the vehicle is designed. The Company shall not be liable for the loss or damage of any personal property transported in the vehicle.
- Permissible drivers are expected to keep Company vehicles clean, and to report any malfunction or damage to their supervisor immediately.
- Permissible drivers that are assigned vehicles for commuting purposes are expected to park such vehicles in safe locations.
- No permissible driver may use a Company vehicle for anything other than authorized Company business without advance approval of Human Resources and Risk Management.

Failure to comply with any and all provisions of this policy may result in disciplinary action up to and including removal of company driving privileges, suspension, and/or termination of employment.

Company Fleet Policies

FairPoint Communications, Inc. provides vehicles for company-related business only. They are not to be used for personal purposes. Each Company Fleet Policy applies to all owned, leased or rented vehicles as well as personal vehicles when driven on company business.

Violating any of these policies is considered an unsafe act and may result in disciplinary action up to and including revocation of company driving privileges and termination.

The following is discussed as it relates to company vehicle use:

- Back-In / Cone Policy
- Cell Phones, Radios & Other Electronic Equipment
- Clean Cab Policy
- Disabled Vehicles
- Driver Record Verification (Motor Vehicle Reports)

- Headlight Usage
- Hitchhikers and Riders
- Locked Vehicle Policy
- Morale Hazards
- Personally Owned and Rented Vehicles
- Seat Belt Usage
- Smoking Policy
- Towing
- Traffic Violations
- Vehicle Inspection

Back-In / Cone Policy

Local Operations Management may decide to enact a mandatory back-in policy. If conditions exist that prevent backing in or no mandatory back-in policy is enforced, then employees must deploy traffic cones and conduct a complete circle check before moving the vehicle. After parking, traffic cones shall be placed in front of and behind the vehicle while parked, and the driver is required to completely circle the vehicle, looking for hazards while collecting cones prior to moving vehicle.

Cell Phones, Radios & Other Electronic Equipment

Cell Phones

Driving can be difficult enough even when you concentrate completely on the road. But driving while you dial a phone or balance it to your ear can be distracting and potentially dangerous. If not used properly, drivers with car phones are a danger to themselves and everyone on the road.

Driving safely must take precedence over phoning. When on the road, you should concentrate on safe and defensive driving, not on making phone calls.

Safe Operating Guidelines

1. All cell phones **used** for company business must be operated with either a hands-free speakerphone option or hands-free headset option while operating a vehicle. All company issued cell phones shall be issued with a hands free device.
2. Make sure you are properly trained and familiar with the operations manual of your cell phone and hands-free unit before you begin driving. Do not forget to connect the hands-free devices prior to driving.
3. Assess the traffic situation before placing or receiving calls. Be fully aware of road and vehicle distractions. If driving in a hazardous zone, heavy traffic or inclement weather, do not use the cell phone. Allow the voice mail feature to answer the call and return the call under safer conditions.
4. FairPoint recommends dialing phone numbers while the vehicle is stopped. Frequently called numbers should be stored within the phone's memory to minimize dialing while driving.
5. While on the phone, drive in the slow traffic lane in case you decide to pull over to complete the call. Avoid changing lanes or passing other vehicles while on the phone.
6. You must pull over into a safe stopping place if the call requires you to write down information, or requires advanced cognitive tasks such as negotiation discussions or other stressful topics.
7. Always keep the call duration to a minimum while operating a vehicle.

Note: A cellular phone is a responsibility and a privilege. Not operating by these general guidelines is considered an unsafe act and may result in disciplinary action and/or loss of cell phone privileges.

Warning: Effective November, 2001 the State of New York has banned the use of hand-held cell phones by drivers. First time violators face a \$100 fine. A second conviction will net a \$200 fine, and every subsequent violation will cost \$500. FairPoint Communications will not be responsible for the payment of these fines.

Radios

- If available, a hands-free unit should be utilized for all hand held radios while operating a vehicle.
- The radio should be mounted within easy reaching distance, so the driver doesn't have to take his/her eyes of the roadway.
- The Cell Phone Safe Operating Guidelines also apply to use of radios.

Other Electronic Equipment

FairPoint considers the use of all other electronic equipment including laptop computers, MP-3 Players (ipods) and PDA's (i.e. Blackberry, Palm Pilot, Treo, etc.) an unsafe act while operating a vehicle on company business. The vehicle must be parked in a safe stopping place to use this equipment.

Since FairPoint considers speeding an unsafe act, the use of all radar detectors is banned in company owned vehicles and personal vehicles while being driven on company business.

Clean Cab Policy

To reduce the risk of aggravated personal injury to drivers and passengers in Company vehicles, FairPoint requires the driving cab area to be kept clean and free from any items that could become projectiles during an accident. Examples of items that should either be securely fastened or stored in the rear of the vehicle may include tool belts, hand tools, power tools, testing hardware, hard hat, flashlight, first aid kit and fire extinguisher.

Any equipment (i.e. fire extinguisher, hard hat, laptop computer) that is stored in the driving cab must be securely fastened to the vehicle or stored in a container that is fastened to the vehicle.

Disabled Vehicles

If a vehicle or trailer becomes disabled and cannot be operated safely, have the unit immediately towed to a repair facility or, if not available, pull the unit completely off the road and activate the emergency flashers. If the battery is inoperable, post a red warning flag prominently on the vehicle's rear bumper area and utilize emergency reflective triangles or traffic cones twenty feet behind the unit.

If it is safe, stay with the vehicle until it is towed. If this is not possible, secure the vehicle, tools, and equipment as best you can, and contact assistance as soon as possible.

WARNING: **Never** leave a vehicle or trailer in the right-of-way or on the shoulder of a road where it may become involved in an accident.

Driving Record Verification (Motor Vehicle Reports)

A Motor Vehicle Report (MVR) is obtained for every employee or other permissible driver who uses a company-owned vehicle, or uses his/her personal vehicle on company business more than 50% of the time. This policy extends to spouses who may be granted occasional use of company vehicles.

Based on changes to the Fair Credit Reporting Act, Section 604(b), the Company must provide a written disclosure to all employees and all prospective employees notifying them the Company may request a motor vehicle record. The individual **must sign the authorization form** giving the Company permission to obtain an MVR. Refer to the Forms Appendix for the Employee Authorization Form permitting release of employee information.

In conjunction with the MVR, the Company will also use the Company Driver Eligibility Form to complete the assessment for company driving privileges. The Company will provide a copy of both reports to the individual as well as a summary of the consumer's rights before taking any adverse action based on the results of the driving record review. Refer to the Forms Appendix for the New Driver Eligibility Form.

Additionally, Motor vehicle reports will automatically be obtained for all company drivers on a semiannual basis. Risk Management reviews all motor vehicle reports and communicates any adverse results to Human Resources. Human Resources and the employee's supervisor discuss any negative information with the employee.

Headlight Usage

Regardless of state laws concerning the use of vehicle headlights, all company vehicles must be operated with headlights on and low beams activated any time a vehicle is running.

Hitchhikers and Riders

Assigned drivers of company vehicles and personal autos on company business are prohibited from picking up hitchhikers. Because of potential liability to the Company, transport no one in a company vehicle other than other company employees or parties involved with company business.

Locked Vehicle Policy

For the protection of Company assets and to prevent bodily injury and/or property damage to third parties, all company vehicles, including doors and tool boxes, must be locked when left unattended and out of the driver's direct line of site. The engine should not be left running nor the keys left in the ignition after the driver has exited the vehicle. Vehicles may be left unattended and engine running for short durations under extreme cold weather conditions, but only with approval from the driver's supervisor and only in cases where the vehicle remains in the direct line of site of the driver.

All doors and tool boxes must be locked when the company vehicle is not in operation. Keys must never be stored in a company vehicle, even when the vehicle is parked in a locked garage. All vehicle keys must be stored in a locked key cabinet with limited access.

Morale Hazards

Morale Hazards refer to the tendency of people to be less careful than they would otherwise be. Some persons do not consciously seek to bring about a loss, but because the property is covered under Company Insurance, they take more chances than they would if it were their own personal property. As such, Employees may be held financially responsible for the cost to replace or repair company property (including vehicles) if the loss is caused by unnecessary careless actions. Some examples would include stolen company equipment from an unlocked vehicle or a stolen vehicle as a result of leaving keys inside an unlocked vehicle. Each employee is responsible for acting in a safe manner and helping to protect fellow employees and company assets.

Personal Vehicles

Employees should not use their vehicle or other privately owned vehicles on company business except with the authorization from their supervisor or other approving authority.

Additionally, copies of Certificates of Liability Insurance are required on an annual basis from all employees who use personal vehicles on company business more than 50% of the time. Human Resources and Risk Management will maintain a copy of the Certificate. The Risk Management Department reviews the insurance amounts to ensure they are adequate. The minimum acceptable limits are 50,000/100,000/50,000.

Seat Belt Usage

In accordance with state laws, the Company requires the use of seat belts by any operator of company-owned vehicles or private vehicles on company business. Failure to use seat belts is considered an unsafe act, and a disregard for proper use of safety equipment, and is subject to disciplinary action.

An analysis of workers' compensation claims resulting from automobile collisions involving the FairPoint fleet indicates injuries are significantly reduced or altogether avoided if seat belts are worn at the time of an accident.

Towing

Permissible drivers are prohibited from towing any vehicles behind company vehicles. Company vehicles may only tow trailers using appropriate tow bar or other rigid connection. No trailers may be towed by rope or other non-rigid connection.

Traffic Violations

All employees and other permissible drivers who operate company vehicles or personal vehicles on company business should be familiar with state laws and observe the laws, as well as local ordinances and regulations. The Company policy regarding courteous treatment of the general public must be observed while operating a vehicle on company business. Any fine, fee or monetary penalty resulting from operator violation of municipal, state or federal laws is at the expense of the individual responsible and not at the expense of the Company.

Vehicle Inspection

Permissible drivers are required to conduct a daily pre-drive inspection of the vehicle, trailer and load to ensure the vehicle is safe to operate. Dangerous or sub-standard conditions of the vehicle must be repaired prior to operation. The unit must be taken out of service and clearly tagged until repairs are complete.

A formal vehicle inspection must be conducted on a quarterly basis using Vehicle Inspection Form in Forms Appendix.

Vehicle Accident Review Policy

All vehicle collisions will be analyzed, and a written report submitted to Risk Management (See Incident Investigation & Analysis in Forms Appendix). The Company has a responsibility for both company driver safety as well as the safety of the general public. Analyzing accidents will provide opportunities to identify risky behaviors, equipment malfunctions or training deficiencies with the objective of preventing future incidents. A determination of accident preventability will be made by the Accident Review Board. The Accident Review Board will consist of the following members or their designee:

- Director, Risk Management
- Safety Manager
- FairPoint Safety Council Member
- VP, Operations & Engineering

Guide for Preventable or Nonpreventable Accidents

An accident is preventable if the driver could have done something to avoid the accident. Permissible drivers are expected to drive defensively. A defensive driver is characterized by the following attributes:

- Commits no driving errors
- Makes all reasonable allowances for the lack of skill or improper driving practice of the other driver
- Adjusts driving to compensate for unusual weather, road and traffic conditions
- Not tricked into an accident by the unsafe actions of pedestrians and other drivers
- Being alert to accident inducing situations
- Recognizing the need for preventative action in advance and taking necessary precaution to prevent the accident
- Knows when it is necessary to slow down, stop or yield right of way to avoid involvement

Which driver was primarily at fault, who received a traffic citation or whether a claim was paid has absolutely no bearing on preventability. If there was anything the driver could have done to avoid the collision, then the accident was preventable. The Accident Review Board will abide by the following guidelines and the above definition of defensive driver for ruling an accident preventable or nonpreventable.

General Guidelines

- Does the report indicate that the driver considers the rights of others or is there evidence of poor driving habits which need to be changed?
- Does the report indicate good judgment? An aware driver should think, expect and see hazardous situations in time to avoid collisions.
- Was the driver under any physical handicap which could have been contributory?
- Was the vehicle defective without the driver's knowledge?

Intersections

Failure to yield the right-of-way, regardless of stop signs or lights, is preventable. A defensive driver should recognize that the right-of-way belongs to anyone who assumes it and should yield accordingly. The only exception to this is when the driver is properly proceeding at an intersection protected by lights or stop signs and the driver's vehicle is struck in the extreme rear, side or back. Accidents occurring while driver is making a U-Turn are generally considered preventable. If the answer to any question below is no, the driver was not driving defensively and is responsible.

- Did the driver approach the intersection at a speed safe for conditions?
- Was the driver prepared to stop before entering the intersection?
- At a blind corner, did the driver pull out slowly, ready to apply the brakes?
- Did the driver operate the vehicle correctly to keep from skidding?

Sideswipes

Sideswipes are often preventable since drivers should not get into a position where they can be forced into trouble. A driver should pass another vehicle cautiously and pull back into the lane only when he or she can see the other vehicle in the rearview mirror. A driver should also be ready to slow down and let a passing vehicle into the lane. A driver should not make a sudden move that may force another vehicle to swerve. Unless the driver is swerving to avoid another car or pedestrian, sideswiping a stationary object is preventable.

Drivers are expected to be able to gauge distances properly when leaving a parking place and enter traffic smoothly. A driver is expected, whenever possible, to anticipate the actions of an oncoming vehicle. A parked vehicle can be seen from a sufficient distance; therefore, the operator of an approaching vehicle should be prepared in case the doors of the parked vehicle are opened. This type of accident is nonpreventable only when the door is opened after the driver has passed it.

Skidding

Many skidding conditions are caused by rain, fog and snow, which all increase the hazard of travel. Oily road film, which builds up during a period of good weather, causes an especially treacherous condition during the first minutes of a rainfall.

Loss of traction on a grade can be anticipated, and these accidents are usually preventable. Chains or other suitable traction devices should be used, if

available. If the answer to any question below is no, the driver was not driving defensively and is responsible.

- Was the driver operating at a safe speed considering weather and road conditions?
- During inclement weather was the driver keeping at least twice the safe following distance used for dry pavement?
- Were all actions gradual?
- Was the driver anticipating ice on bridges, gutters, ruts and near the curb?
- Was the driver alert for water, ice or snow in shaded areas, loose gravel, sand, ruts, etc.?

Pedestrian and Animal Collision

All types of pedestrian accidents, including collision with pedestrians coming from between parked cars, are usually considered preventable. There are few instances where the action of pedestrians is so unreasonable that the operator could not be expected to anticipate such an occurrence.

Collisions with animals are normally preventable, unless the movement on the part of an animal was unusual and unexpected. This is taking into consideration the fact that the driver was aware of animals in the vicinity.

Parked or Stopped

Accidents occurring when vehicles are properly and legally parked are considered nonpreventable. Accidents occurring while the vehicle was parked against traffic, double parked or in a "No Parking" zone are preventable.

Accidents involving a parked vehicle in a work zone may be nonpreventable if the work area complied with state and local laws and ordinances regarding traffic control and all protection devices were in place to provide maximum protection to persons and equipment within the work zone.

Mechanical Failure

The accident will be considered preventable if the investigation shows a mechanical defect of which the driver was aware, a defect the driver should have found by inspecting the vehicle or the driver caused by rough and abusive handling.

When a mechanical failure is sudden or unexpected, not resulting from abuse or ordinary wear, it may be considered nonpreventable. Bad brakes will not be considered a mechanical failure unless the failure was sudden and the driver could have no previous knowledge of the condition. However, this type of failure cannot excuse a driver who fails to conduct a proper daily pre-drive inspection.

Vehicle Ahead & Behind

Regardless of the abrupt or unexpected stop of the vehicle ahead, drivers can prevent front-end collisions by maintaining a safe following distance at all times. A safe following distance is one that allows the driver sufficient time, distance and vision requirements to avoid an accident. This includes being prepared for possible obstructions on the roadway, either in plain view or hidden by the crest of a hill or curve. Overdriving headlights at night is a common cause of front-end collisions. Night speed should not be greater than that which will permit the vehicle to come to a stop within the forward distance illuminated by the vehicle's headlights.

Investigation often discloses that drivers risk being struck from behind by failing to maintain a margin of safety in their own following distance. Rear-end collisions preceded by a roll-back, an abrupt stop at a grade crossing, when a traffic signal changes or when a driver fails to signal a turn at an intersection, should be charged preventable. Failure to signal intentions or to slow down gradually will be considered preventable.

Fixed Objects

Collisions with fixed objects are preventable. They usually involve failure to check or properly judge clearance. New vehicle assignment and/or unfamiliar territory are not valid reasons for excusing a driver from a preventable accident.

Non-Collision

Many accidents, such as overturning or running off the road, may result from emergency action by the driver to preclude being involved in a collision and may be deemed nonpreventable; however, an examination of the driving procedure prior to the incident may reveal speed too fast for conditions or other lack of defensive driving practices that would rule the accident preventable.

Driving While Impaired / License Suspension Policy

All permissible drivers are required to report to a supervisor or Human Resources any of the following actions **within 48 hours**. Failure to report within 48 hours is grounds for immediate revocation of company driving privileges and possible termination.

- Is charged or cited with operation of a vehicle while under the influence of alcohol and/or drugs or other controlled substances
- Drives while impaired or intoxicated
- Refuses to submit to a test to determine the presence of impairing substances when requested by law enforcement personnel
- Has driver license suspended for any reason

Upon notification, a non-employee permissible driver will immediately have their company driving privileges permanently revoked.

Upon notification, an employee permissible driver will be subject to the following policies:

1. All company driving privileges are immediately revoked and any assigned vehicle is returned to the pool. The employee is forbidden to drive any company-owned, rented or leased vehicle or personal vehicle on company business until a final resolution of the matter is reached and any license suspension is removed for all work related driving purposes.
2. The employee will receive a written warning, mandatory suspension without pay and will be referred to the Employee Assistance Program (EAP) for evaluation.
3. The employee's department makes every reasonable effort to temporarily place the employee in a non-driving position. This position is temporary pending the final disposition of the matter or the restoration of a valid driver license for all work-related driving purposes, and pending the results of the EAP evaluation.
4. If there is no temporary non-driving position available and the EAP evaluation shows a substance abuse problem, the employee may be placed on a short-term medical leave of absence. If the EAP evaluation does not show a

substance abuse problem, the employee may be placed on unpaid leave of absence.

5. If the EAP evaluation does not show an abuse problem, the employee may return to the original job upon restoration of full driving rights and license suspension removal under State law, completion of a Driver Evaluation and authorization by the Driver Management Review Board.
6. If the EAP evaluation does indicate an abuse problem, the employee may return to the original job upon satisfactory conclusion of the recommended treatment period, restoration of full driving rights and license suspension removal under State law, completion of a Driver Evaluation and authorization by the Driver Management Review Board.
7. Reinstatement may be conditional on continuing to participate in an assistance program, remedial driver training, improvement plan, 90-day probation or other recommendation from the Driver Management Review Board.
8. If the remedial assistance outlined above is inadvisable due to an employee's successive or multiple problems with this policy, an employee may be permanently prohibited from driving on company business. If after every reasonable effort no suitable alternative position is found, the employee is terminated.