



## Fleet Vehicle Policy

**Policy Number:** PER-041

**Effective Date:** 03/09/93

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**PURPOSE:** This policy is designed to help North American Lighting, Inc. (“NAL”) and its directors, officers and employees (“Team Members”) understand the requirements and expectations for the appropriate use of NAL company Vehicles which are made available to eligible Team Members to drive for business purposes.

### PROCEDURES:

#### I. Driver Eligibility, Responsibility & Personal Use

##### A. Definitions

- (1) A “Fleet Vehicle” refers to a NAL Vehicle that is leased or owned by NAL made available to Team Members to be driven exclusively for NAL business.
- (2) If a Fleet Vehicle is unavailable, and a Team Member requires a vehicle for business purposes, NAL may rent a vehicle (“Rental Vehicle”) at NAL’s expense for the Team Member to drive for business purposes.
- (3) Unless specifically defined, the term “Vehicle” may refer to Fleet Vehicles and/or Rental Vehicles.

##### B. Eligibility to Drive a NAL Vehicle

Prior to reservation of a Fleet Vehicle or Rental Vehicle, an eligible Team Member must prove that he or she has a valid driver's license which is not suspended or revoked in any State.

##### C. Withdrawal of Company Car Privilege

The privilege of driving a NAL Vehicle may be withdrawn for any reason including but not limited to the following:

- (1) Abuse or misuse of the Vehicle or failure to comply with the rules and procedures stipulated in this policy.
- (2) A driving record which becomes deficient during the course of operating a company Vehicle which, under certain circumstances, may be grounds for corrective action up to and including dismissal.
- (3) Conviction or a guilty plea to driving a Vehicle under the influence of alcohol or an illegal controlled substance for as long as the Team Member’s driver’s license is suspended.

Suspension or withdrawal of driving privileges may be reviewed on an annual basis at the request of the suspended Team Member and or their supervisor.

##### D. Driver Responsibilities

Eligible drivers are responsible for driving their Vehicle in a safe and reliable manner. Team





Members must know and abide by all driving laws in all areas where they operate the Vehicle. Additionally, Team Members must maintain a valid driver's license for the State in which they are living. If, for any reason, a Team Member's driver's license is revoked, suspended, or restricted, it is mandatory that the Human Resources Manager be notified immediately.

## E. Safety Guidelines

- (1) It is mandatory that seat belts be used by all occupants of a Vehicle, at all times, without exception. It is the Team Member's responsibility to ensure that all occupants fasten their seat belts prior to operating the Vehicle. Any malfunctioning seat belt should be repaired and reported by the Team Member immediately. NAL will repair or replace the seatbelt immediately and the Vehicle with the malfunctioning seatbelt will be unavailable until it is repaired. NAL reserves the right to revoke the driving privilege of any driver not complying to this policy.
- (2) In addition, all Team Members are expected to drive defensively during business and personal travel, to obey all traffic laws, and not drive under the influence of drugs and alcohol, including prescription drugs. If a Team Member is taking prescription drugs on a doctor's orders, he or she must immediately notify the Human Resources Manager if the drug(s) warning label states it will affect their driving ability.
- (3) NAL Vehicles should not be used to transport flammables or other hazardous materials.
- (4) Firearms are strictly prohibited in Fleet or Rental Vehicles and on any NAL properties.

## F. Traffic Violations

- (1) Excessive speeding violations and/or accident history may exclude a Team Member from being covered by NAL's insurance and may make him or her ineligible to drive a Vehicle.
- (2) Should a Team Member, for any reason, receive a summons for a traffic violation or a parking ticket while in a Fleet Vehicle, he or she must personally pay it as soon as possible. Under no circumstances are traffic or parking fines to be charged to NAL. All traffic violations and parking tickets should be reported to the Human Resources Manager as quickly as possible.

## G. Other Prohibitions:

- a. Team Members are prohibited from transporting any hitchhikers. This provision has been affirmed by NAL's insurance broker and must be observed for the protection of the Team Member and NAL.
- b. Team Member must not use an NAL Vehicle for any business venture other than that pertaining to the Team Member's job duties and responsibilities.
- c. Team Members must not accept any form of compensation for carrying passengers or material by any individual.

## H. Vehicle Maintenance

Every driver of a NAL Vehicle is expected to assist in keeping the Vehicle in a safe operating condition. Maintenance schedules outlined in the Vehicle's owner manual should be adhered to. Particular attention should be paid to performing the maintenance requirements necessary to keep a Vehicle's warranty in effect. Any maintenance beyond routine oil changes should be coordinated through the AGM Corporate Finance prior to scheduling the repair or maintenance. It is the Team Member's responsibility to record maintenance and service work by submitting receipts attached to an expense report to the Accounting Department. Each receipt should indicate the Vehicle's mileage at the time the maintenance and service work performed.





## I. Garaging.

- (1) A Team Member is responsible for ensuring all necessary precautions are taken to prevent damage and theft of Vehicles and/or its contents at all times. Whenever Team Members park and leave a Vehicle, they must follow these precautions.
  - a. Roll up all windows.
  - b. Lock all doors.
  - c. Do not leave merchandise and equipment in open view inside a car, which may tempt a break-in. Lock all valuable items inside the trunk when the Vehicle is left unattended.
- (2) When traveling on company business, take reasonable precautions to safeguard the Vehicle and its contents. For instance, when possible, select an off-street, lighted area close to a business or hotel entrance where normal police surveillance or security protection exists.

## J. Driving Outside the U.S.

- (1) A NAL Vehicle may not be used in Mexico for any reason.
- (2) If a Team Member will be operating a Vehicle in Canada, they must first get insurance information and instructions from the AGM Corporate Finance.

## K. Status Changes.

Terminations, new hires and driver change of Vehicles should be reported by department managers to the AGM Corporate Finance as soon as possible in order to keep driver information current and accurate.

## II. Acceptable Vehicles and Optional Equipment

A. NAL standards for Fleet Vehicle and Rental Vehicle size, make, model, equipment and replacement cycle are at the sole discretion and reviewed annually by NAL's President. Additional optional equipment may be included so long as it serves the needs of NAL and is approved by NAL's President.

### B. Mobile Phones

Mobile phone usage should be restricted as much as possible to business-related phone calls. Texting and/or operation of any feature of a mobile phone besides placing or receiving phone calls while the Vehicle is in motion is strictly prohibited. In addition, Team Members must use hands-free devices whenever possible while making or receiving phone calls while operating a NAL Vehicle. If the Team Member does not have a hands-free option, it is recommended that they pull to the side of the road or return the call when the Vehicle is stopped.

### C. Trailer Towing.

A Vehicle should not be fitted with a trailer hitch to pull a trailer or boat without prior authorization from NAL's President. In addition, a Vehicle should never be used to push another vehicle.

### D. NAL Vehicle Odometers.

- (1) NAL Vehicle odometers shall be governed in accordance with the following federal odometer laws and regulations:
  - a. Change of mileage indicated on the odometer is prohibited. No person shall disconnect, reset, or alter, or cause to be disconnected, reset or altered, the odometer of any motor Vehicle with intent to change the number of miles indicated thereon.
  - b. Operation of a motor vehicle with knowledge of disconnected or nonfunctional odometer is prohibited.
  - c. No person shall, with intent to defraud, operate a motor vehicle on any street or highway





knowing that the odometer of such vehicle is disconnected or non-functional.

d. Criminal penalties: Any person who knowingly and willfully commits any of the items listed above is liable to be fined or imprisoned not more than three years, or both.

(2) Any Team Member who knowingly violates the federal laws specified in above items will be immediately terminated and NAL may pursue available civil remedies.

### III. Vehicle Operating Guidelines

#### A. Vehicle Operating Expenses

- (1) NAL pays for all business-related costs to operate a NAL Vehicle.
- (2) Expenses incurred by a Team Member in operating a Vehicle should be submitted according to the Expense Report Policy (PER-013).
- (3) Overnight parking is allowed as an expense only when a Team Member is away from home or work on company business.
- (4) Tolls are reimbursable for travel on NAL business.
- (5) Fines for parking, speeding violations or unpaid tolls are not reimbursable to the Team Member.

#### B. Tires

- (1) After repairs and fuel, tires are the most expensive operating expense. A Team Member can substantially lower the cost to of maintaining a Fleet Vehicle NAL by:
  - a. Maintaining the manufacturer recommended tire pressure.
  - b. Carefully inspecting tires for uneven wear, cuts, fabric breaks and abrasions.
  - c. Informing the AGM Corporate Finance of a flat tire or any visible damage or irregular tire wear.
- (2) The repair of a flat tire resulting from driver abuse of a Vehicle is a Team Member's financial responsibility. The determination of driver abuse is at the discretion of NAL.

#### C. Alternate Transportation

- (1) If the Vehicle cannot be driven due to servicing or an accident, an eligible Team Member is authorized (with prior approval by their supervisor) to rent a car to fulfill his/her job responsibilities.
- (2) If a Team Member chooses not to rent a car, they may use their personal car, with a supervisor's prior approval, for NAL business. The present rate of reimbursement is forty-eight (48) cents per mile. This reimbursement amount includes the cost of gasoline, oil changes, repairs, maintenance, depreciation, car washes, tune-ups and insurance. A driver will be reimbursed separately for any parking and toll fees incurred. Team Members may use their Travel Card in accordance with the Travel Card Policy (PER-087) for gas purchases or claim mileage but not both.
- (3) Team Members assume all risk and liability when operating their personal vehicle when they choose to not rent a car and don't have a supervisor's prior approval.
- (4) A Team Member can be reimbursed for company use of a personal Vehicle by completing a NAL expense report (showing business miles driven which does not include commuting mileage to work and home) pursuant to the Expense Report Policy (PER-013).

### IV. Accident Procedure

#### A. What to do in Case of an Accident

All accidents involving a NAL Vehicle must be immediately reported to AGM Corporate Finance, the fleet manager and direct supervisor. The Team Member involved in the accident must fill out an accident report form as completely and as quickly as possible for submission to the AGM Corporate Finance. In no case should a driver attempt to directly report an accident to NAL's Insurance. In addition to also informing





local police the Team Member must notify the AGM Corporate Finance of the accident. If the Team Member was at fault in an accident while driving a NAL Vehicle on personal time, there is a \$1000 deductible for collision coverage which is the financial responsibility of the Team Member. If the Team Member grants permission for someone to drive his/her assigned Vehicle and they are involved in an accident, the Team Member will be considered financially responsible for all damages and Vehicle repairs.

## B. How to Report an Accident

If you are involved in an accident, it is necessary to follow the procedure outlined below:

- (1) If anyone is injured, call 911 immediately for medical assistance.
- (2) Investigate the damage to the Vehicle(s).
- (3) Obtain the names and addresses of the owner(s) and driver(s) involved, license plate number and registration numbers of the vehicle(s) involved in the accident. In addition, acquire the names and addresses of any passengers in the vehicles involved in the accident.
- (4) Get the name of the other party's insurance company and insurance policy number.
- (5) Get the names and addresses of witnesses, if any.
- (6) If law enforcement officers are present at the scene, note their names and badge and precinct numbers. If no police officers are present, try to have one called to the scene of the accident.
- (7) Take pictures of the accident scene being sure to include damage to any Vehicles and/or property.
- (8) Express no opinion as to who was at fault. Give no information except as required by law enforcement officers.
- (9) Do not sign any written statements for anyone except an identified representative of the insurance company covering the Vehicle.
- (10) Inform the AGM Corporate Finance what occurred.
- (11) Complete NAL's authorized accident reporting form and keep a copy for your records.
- (12) Promptly complete or acquire all reports required by local law enforcement and state motor vehicle authorities. If you need help in completing these reports, request help from your local police department, state motor vehicle office, or the Human Resources Manager.
- (13) If any demand, claims or summons are served to a Team Member involved in an accident asserting liability against the Team Member, contact NAL's Corporate Compliance Manager and AGM of Corporate Finance immediately.
- (14) If the collision involves an unattended Vehicle, you must attempt to notify the owner. If that is not directly possible, attach a note to the Vehicle asking the owner to contact you. Notify the police immediately, telling them that you have attempted to contact the owner.

There are NO EXCEPTIONS to the above requirements. Failure to comply with this procedure could have serious consequences for NAL and the Team Member's association with NAL.

## C. Claims by Team Members Against Others

- (1) A Team Member injured by the negligence of others in an automobile accident may have a claim against the responsible party. In settling a claim involving negligence, the Team Member should keep in mind that he or she may owe reimbursement to NAL for any workers' compensation benefits that he or she has received. Appropriate information on the Vehicle's insurance coverage will be supplied to Team Members at the time a Vehicle is assigned. If this information is not received, please contact the AGM Corporate Finance immediately.





# North American Lighting, Inc.

A **Koito** Group Company

(2) Insurance cards and packets are issued once a year. These are to be kept in the car at all times and should not be removed by Team Members. Failure to do so will result in a fine in most states.

## D. Licensing and Registration and Renewals

(1) All licensing and registration will be handled by the leasing company administering the NAL Vehicle. For Vehicles that are owned by NAL, all licensing and registration renewal will be administered by the AGM Corporate Finance. Vehicle registration, insurance cards and forms must be kept current and in the glove compartment of the Vehicle.

(2) When taking delivery of a new Vehicle, the dealer should either install a new license or transfer existing plates, if allowed by local/state law.

