



**FREIGHTX**  
GROUP OF COMPANIES INC.

## SAFETY & COMPLIANCE POLICIES

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FREIGHTX GROUP OF COMPANIES INC.  
105-134 Kennedy Rd. S Brampton, ON L6W 3G4

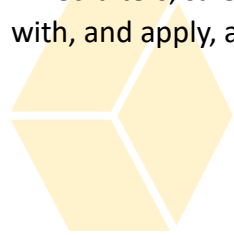
# Hiring Policy

## Purpose

Freightx Group of Companies Inc. believes that the success of our company in this competitive marketplace is a direct result of both the quality and integrity of our employees. Our employees are our most valuable assets. Therefore, Freightx Group of Companies Inc. is committed to hiring only the most qualified and best fit within our team, of available potential employees, making the selection of prospective employees, drivers in particular, of critical importance.

## Responsibility

All recruiters, safety managers, and any others involved in the hiring process must be familiar with, and apply, all hiring standards set forth in this policy.



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### Office Staff Standards

Freightx Group of Companies Inc.'s MINIMUM hiring standard for **Office** staff requires that the applicant:

- Not possess a criminal record
- Be fluent in written and spoken English.
- Preference will be given to applicants who:
  - Appear to possess a good attitude, cordial personality and show an eagerness to learn.
  - Have previous transportation industry experience.
  - Possess a minimum of 2 years related experience.
  - Possess a related college diploma or university degree.
  - An ability to speak and write French.

## Driver/Operator Standards

Freightx Group of Companies Inc.'s MINIMUM standards for **DRIVERS** require that the applicant meet the following requirements:

- Be within the minimum age of 25 and maximum age of 79.
- Possess a minimum of 2 to 3 years verifiable A-Z driving experience.
- Have a clean driving history within the past 5 years.
  - Zero preventable accidents within the past 5 years
  - Demonstrate a pattern of safe driving behaviour by having zero traffic infractions within the past two years.
- Successfully complete a road test examination conducted by a qualified company employee.
- Successfully pass a pre-employment drug test
- Not possess criminal offenses prohibiting entry to the United States
- Be knowledgeable of, and be willing to adhere to, all Canadian and U.S. safety regulations including hours of service, allowing for safe and legal job performance.
- Preference will be given to applicants who:
  - Appear to possess a good attitude, cordial personality, and an eagerness to learn.
  - Are currently enrolled in or are willing to enroll in online company administered safety programs and classes.
  - Have a long history of employment with each previous employer.

## Procedures

1. All positions will be advertised internally (i.e. Newsletter, posting, company sign), where applicable and externally (i.e. Job Banks, Website, Radio)
2. A Scheduled interview and a driving test in the case of a potential driver, will be required to determine initial suitability.
  - a. GOAL: To hire an applicant interested in working and growing with Freightx Group of Companies Inc.'s for the LONG TERM
  - b. FIT: Is the applicant a good fit with the rest of the team?
  - c. INVESTMENT: We are looking for a long-term investment, someone willing to learn and grow, not a quick fix.
3. Before hiring, references must be contacted to verify the quality of the applicant.

4. Preference will always be given to internal applicants over external applicants, where applicable.
5. All interviewed applicants will be notified by phone and in writing whether they were successful or not, whereas un-interviewed applicants will only be notified in writing.
6. All new hires will be placed on a 3-month probationary period, during which their work ethic, ability, and commitment will be analyzed to determine whether they are a good team fit or not. If not, the employee will be terminated before reaching the 3-month date.

*Freightx Group of Companies Inc.'s hiring qualification standards and procedures have been developed to improve the quality of our freight service offering by ensuring that all employees (including drivers) share Freightx Group of Companies Inc.'s commitment to values and the goal of operating in a competent, safe, legal, and professional manner.*



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# MAINTENANCE POLICY

In order to comply with provincial and state maintenance standards, the operator adopts the following inspection criteria and frequency of inspection.

Periodic Mandatory Commercial Vehicle Inspection and Maintenance will be conducted in accordance with the Highway Traffic Act of Ontario Regulation 611, schedules 1 and 2 and the National Safety Code Standard 11, Part B

1. Trucks will be inspected every 3 months.
2. Trailers will be inspected every 6 months.
3. Annual safety inspections are included in this policy.
4. Truck Speed Limiters are set to 105 km/hour.
5. Regular Services as recommended by the Manufacturers.
6. Brake Adjustments and greasing every month and upon notification from operators.

Any vehicles removed from service will be noted by the date out of and return to service and will not be maintained to this policy until returned to service.

# Progressive Discipline Policy

## *Employee Misconduct*

### Purpose

Freightx Group of Companies Inc. has adopted a Progressive Discipline Policy to ensure that all employees have the opportunity to correct any performance or behavioral problems that may arise. Freightx Group of Companies Inc. has established a set of reasonable rules and guidelines for employees to follow. These have not been put in place to restrict the freedom of our employees, but rather they are in consideration of their safety and their overall protection, the protection of our property and our business practices.

### Scope

In the event that an employee of Freightx Group of Companies Inc. violates company policy or exhibits problematic behaviour, a system of progressive discipline will be utilized where possible. Employees will be given opportunities to correct the unwanted behaviour as follows:

**First Offence:** Verbal Warning; **Second Offence:** Written Warning; **Third Offence:** Three-day suspension without pay; If there is no improvement at this point, the employee is subject to dismissal.

Degrees of discipline shall be used in relation to the problem at hand. As the situation dictates based on past performance of the employee and the seriousness of the violation, Freightx Group of Companies Inc. reserves the right to skip the three-step disciplinary process and move straight to the termination where necessary. (In the case of severe misconduct – ref. Category 2 Offence). On the other hand, they also reserve the right to enforce additional warnings before moving on to the next step.

### Category 1 Offence: Minor Misconduct (Subject to Progressive Discipline)

Will include, but not be limited to, the following employee actions:

- Violations of state or provincial laws which are a direct result of neglectful behaviour.

- Arriving late to work without reasonable cause.
- Failure to provide reasonable cause for an absence from work.
- Disorderly, immoral, or indecent conduct towards co-workers or customers
- Failure to comply with safety regulations and company policies.
- Failure to fulfill job elements outlined in the job description.
- Failure to maintain sanitary work conditions (i.e. safe and clean work environment in the cab of truck)
- Poisoning workplace environment by engaging in malicious gossip and/or spreading of rumours.
- Work refusal (Including but not limited to, either directly or indirectly, consistently refusing to go to certain location or work on certain days or choosing not to respond to Dispatch communications so as to make themselves unavailable or inadvertently taking an unreasonable amount of time to arrive at shipper or receiver so as to avoid further work assignments).

#### Category 2 Offence: Severe Misconduct

*(Subject to progressive discipline and possibly immediate suspension or dismissal)*

- Theft, including physical and intellectual properties.
- Dishonest, illegal or improper activities
- Possession of alcohol, or illicit narcotics, or non-prescribed pharmaceuticals while on company property, or use thereof while operating Freightx Group of Companies Inc.'s equipment.
- Negligence resulting in damage to company property.
- Workplace violence, including but not limited to fighting, assault, harassment, or possession of a weapon.
- Disorderly, immoral, or indecent conduct towards a customer or co-worker
- Any action or Omission that resulted in, or could have resulted in, the fatality or dismemberment of another.

The Management of Freightx Group of Companies Inc. will:

- Properly investigate and document all violations or alleged violations of company policy.
- Conduct fact-based decisions, treating everyone fairly.
- Attempt to help the employee, improve their performance by providing appropriate direction through reasonable supervision, training, and instruction.

## Mitigating and Aggravating Factors

The following factors will be taken into consideration when basing decisions on Progressive Discipline:

- Was the conduct intentional?
- Is the employee accepting responsibility for his/her actions?
- Was the infraction an isolated incident?
- Is this a long-term employee?
- What is the work history of the employee?

### DEFINITIONS

#### **Incompetence**

*Employee Lacks the skills or ability needed for the job.*

#### **Misconduct**

*Employee breaks the rules for keeping the workplace safe and efficient.*



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# Progressive Discipline Policy

## *U.S. Hours of Service Violations*

### Scope

Freightx Group of Companies Inc. is committed to over-the-road safety. Maintained a U.S. Compliance safety and Accountability (CSA) score within the allowable Hours of Service (HOS) threshold is critical to the ongoing operation and success of Freightx Group of Companies Inc.. A CSA score above the allowable HOS threshold could result in, at minimum, a warning, and at worst, the revocation of Freightx Group of Companies Inc. U.S. operating authority.

### Employee Expectation

All Freightx Group of Companies Inc. drivers will comply with the U.S. HOS regulations. Those who do not comply, and are issued infractions as a result, will be held accountable, and will find themselves subject to the enforcement of this progressive Discipline Policy.

### Employee Non-Compliance

Employee misconduct resulting from non-compliance (a violation of hours of service regulations), will be categorized as:

- Minor misconduct if the CSA violation points incurred range from 1 to 5.
- Significant misconduct if the CSA violation points incurred range from 6 to 21
- Major Misconduct if the CSA violation points incurred are above 21

Points are cumulative over a 2-year period. This means that points from current infractions will be added to points from previous infractions; the sum of which will determine the level of misconduct as identified above.

MINOR Misconduct: 1-5 Points violation

Progressive discipline steps for MINOR MISCONDUCT will be the following:

- First-Time Offender: A Verbal Warning will be issued to the employee. Management will review expectations, provide training and outline consequences of further violations;
- Second-Time Offender: A written Warning will be issued to the employee. Management will issue a written warning and once again, review expectations, provide training, and outline consequences of further violations.
- Third-Time Offender: A 2 Working-day SUSPENSION will be incurred by the employee. Management will once again, review expectations, provide training, and outline consequences of further violations
- Fourth-time Offender: Immediate employee dismissal

#### Significant Misconduct: 6-21 CSA Points Violation

Progressive discipline steps for SIGNIFICANT MISCONDUCT will result in the following actions:

- Severity and frequency of point's accumulation will be reviewed to determine risk of future violations.
- Employees will then, according to assessed risk, be assigned accordingly:
  - Low Risk (6-10 point accumulation, re-trained and no concern of repeat occurrence): Assign to first-time offender step.
  - Low-to-Medium Risk (6-10 point accumulation, re-trained and some concern of repeat occurrence): Assign to second-time offender step.
  - Medium Risk (11-15 point accumulation, re-trained and some concern of repeat occurrence): Assign to second or third-time offender step.
  - High Risk (11-21 point accumulation, re-trained, very concerned about repeat occurrence): Assign to third-time offender step.

***Note: When requested to do, an employee must attend a scheduled meeting with management to review their misconduct. Management may use his/her discretion to determine of the severity of the misconduct warrants a restriction on active duty (i.e. limited highway use, limited U.S. exposure, limited mileage, limited radius) both before and after the employee meeting has occurred.***

## Severe Misconduct: >21 CSA points violation

Progressive discipline for SEVERE MISCONDUCT will result in an immediate employee dismissal.

### Mitigating and Aggravating Factors in Assessing Risk

The Following factors will be taken into consideration when determining appropriate disciplinary action, and may serve to either escalate or moderate the progressive discipline process:

- Is the employee accepting responsibility for his/her actions?
- Was the infraction an isolated incident?
- Is this a long-term employee with exceptional work history?

Freightx Group of Companies Inc. reserves the right to:

- Enforce additional warnings before moving on to a next step; and/or
- Skip a step where the misconduct has escalated or put the health and safety of an individual or sustainability of the organization at serious risk.

### Commitment to Fairness and Consistence

An employee who violates hours of service regulations can expect a fair and equitable process.

- A decision will be made on progressive discipline with all parties being treated fairly; and
- A commitment to assist the employee to improve their work skills and/or performance (With the exception of behaviour deemed Severe Misconduct) by providing appropriate direction through reasonable supervision, training, re-training, instruction, and guidance.

### Definitions

**Equitable:** Fair and Impartial.

**Misconduct:** Employee breaks rules for keeping workplace safe and efficient.

# No Passenger Policy

## Purpose

In an era where cargo theft rings are sophisticated and terrorist activity indicates well-thought-out plans, a seemingly lone individual looking for a ride may actually have ulterior motives.

This policy also includes any “Ride-along” family or friends of our drivers. Anyone who is not an employee of Freightx Group of Companies Inc, or assigned to the trip by Dispatch or Management is prohibited from riding in our equipment. Due to safety regulations at several of our customers and the fact that we have to protect our investment in equipment, Freightx Group of Companies Inc. does not allow pets as passengers.



## Scope

Due to liability and security concerns, Freightx Group of Companies inc, will strictly enforce this No Passenger Policy. Any violations of this policy is also in violation of our C-TPAT policies, endangering our pending C-TPAT certification.

### All Employees Will:

- Refrain from picking up hitchhikers along the road and transporting them even the shortest distance.
- If Compelled to assist someone on the roadside, use a cell phone to call for help.
- Not have family or friends as passengers in their truck at any time, in particular children.

### The Management of Freightx Group of Companies Inc:

- Will provide a safe and healthy work environment for all employees.
- Ensure that employees understand and follow company safety policies and procedures; anyone failing to comply with said safety practices will be subject to progressive

discipline (Reference: Progressive Discipline Policy), up to and including termination of employment.

## Definitions

**Liability** Legal Responsibility for costs and damages.



# Safety Bonus

## Purpose

Freightx Group of Companies Inc. is adamant on maintaining a healthy safety record and appreciates it's drivers that share our beliefs on well maintained and road safe vehicles. A Safety Bonus is a financial incentive provided to our employees to drivers for maintain a safe and secure work environment. This incentive promotes and reinforces good safety practices and serves as a recognition and acknowledgement of our employees' efforts in following safety guidelines, implements safety measures, and contributing to the overall safety culture of our organization.

## Compensation

Safety bonuses are based on the three tiers of inspections at Ministry of Transportation/Department of Transportation scales and monthly Motive top driver score. Bonuses for each tier will go as follows:

- Tier 1: Passing a level III or IV inspection in Canada or the U.S. with no violations will be rewarded \$100.00
- Tier 2: Passing a level II inspection in Canada or the U.S. with no violations will be rewarded \$150.00
- Tier 3: Passing a Level I inspection in Canada or the U.S. with no violations will be rewarded \$300.00
- Motive Top Driver: Highest rated company employee, with a minimum of 5000 miles for that period, based on Motive Driver Performance will be compensated \$250.

# Accident/Collision Protocol

## Purpose

Accidents/Collisions involving Commercial motor vehicles can have serious injuries and significant damage. Therefore we have put together an accident protocol to ensure the safety of individuals involved, gathering necessary information and initiating an appropriate response and reporting procedure.

## Protocol

### 1. Ensure Safety and Medical Assistance

- Immediately assess the scene for safety risks and hazards. Take the necessary measures to protect individuals from further harm.
- If anyone is injured, call emergency services for medical assistance. Administer first aid if trained and qualified to do so.

### 2. Secure the Area

- Safely park the CMV in a way that does not obstruct traffic or pose additional risks.
- Activate hazard lights and place warning devices (I.E. cones, triangles) to alert approaching vehicles.
- If required, Contact local law enforcement to report the accident and request assistance.

### 3. Report the Accident

- Notify the appropriate authorities and follow any legal requirement regarding accident reporting
- Contact Freightx Group of Companies Safety team and inform them of the accident

### 4. Gather Information

- Collect Essential information from all parties involved in the accident, including drivers, passengers, and witnesses. This information typically includes:
  - Name, Contact details and drivers license information of the party/parties involved.
  - Vehicle information (License Plate Number & State, Make, Model and registration details).

- Insurance Details (Insurance Company name and policy number).
  - Witness statements and contact information.
5. Document the Accident
- Take pictures or videos of the accident scene, vehicle damage, and any visible injuries.
  - Make detailed notes regarding the time, location, weather conditions, road conditions and any other relevant factors.
  - Draw a diagram that illustrates the accident sequence, including the position of the vehicles and other pertinent details.
6. Drug Test
- Upon returning to the company terminal, you will required to perform a Post-Accident Drug Test to rule out any suspicions of intoxication/drug use.

***Note: When requested to do, an employee must attend a scheduled meeting with management to review the details of the accident/collision. Management may use his/her discretion to determine of the severity of the incident and warrants a restriction on active duty (i.e. limited highway use, limited U.S. exposure, limited mileage, limited radius) both before and after the employee meeting has occurred.***



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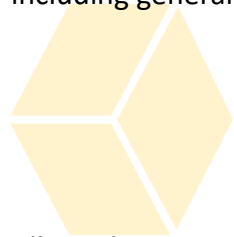
# Cargo Securement Policy

## Purpose

This policy is to establish guidelines and procedures for our employees to ensure the safe and secure transportation of our customers cargo. This policy aims to prevent cargo shifts, spills and damage in transit, while complying with all applicable regulations and industry best practices.

## Applicability

This policy applies to all employees involved in the loading, securing, and transportation of cargo, including but not limited to drivers, loaders and supervisors. It Covers all types of cargo, including general freight, specialized equipment, hazardous materials, and oversized loads.



## Regulatory Compliance

All employees must comply with the relevant regulations and standards, including but not limited to the Federal motor carrier Safety Administration (FMCSA) regulations, state regulations, and any applicable international standards. Compliance is essential to ensure the safety of personnel, the public, and the environment.

## Training and Education

Adequate training and education programs will be provided to employees involved in cargo securement. Training topics may include proper loading techniques, weight distribution, securement devices, inspection procedures, and specific requirements for specialized cargo. Employees must complete the training and receive regular refresher courses.

## Cargo Loading

Proper cargo loading practices must be followed to distribute weight evenly and prevent cargo shifts during transit. Employees must ensure that the cargo is evenly distributed, secured against movement, loaded in accordance with manufacturer recommendations and industry standards. Special attention should be given to fragile, hazardous, and oversized cargo.

### Securement Devices and Techniques

Employees must use appropriate securement devices and techniques based on the type, and weight of the cargo. This may include straps, chains, binders, dunnage bags, edge protectors, and blocking and bracing materials. Securement devices must be in good condition and used according to manufacturer specifications.

### Inspection Procedures

Pre-trip and post-trip inspections of cargo securement must be conducted by drivers and loaders. Inspections should include checking the condition of the tie-downs, anchor points, and the overall integrity of the trailer or container. Any issues or deficiencies must be promptly addressed and documented.

### Documentation

Accurate and complete documentation of cargo securement must be maintained. This includes load securement plans, weight tickets, inspection records, and any other relevant documents. Records should be readily accessible for review and verification purposes.

### Incident Reporting

Employees must report any incidents, near misses, or equipment failures related to cargo securement immediately to the appropriate supervisor. Timely reporting allows for prompt corrective actions and prevents potential risks and hazards.

## Continuous Improvement

Regular review and evaluation of cargo securement practices will be conducted to identify areas for improvement. Feedback from employees, incident reports, and industry developments will be considered to update procedures, provide additional training, and enhance overall cargo securement performance.

## Compliance and Consequences

Non-compliance with this policy may result in disciplinary actions, including retraining, suspension, or termination, depending on the severity and frequency of the violation. All Employees are responsible for adhering to this policy to ensure the safety of themselves, others, and the cargo being transported.



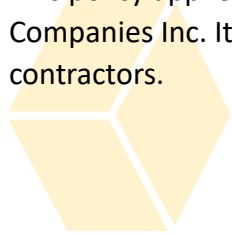
# Dashcam Policy

## Purpose

Freightx Group of Companies Inc. utilizes both road and driver facing dashboard cameras in all of equipment. Our dashcams are intended to enhance safety, improve driver behavior, and provide valuable information in the event of accidents, or disputes. This policy will outline the implementation and handling of dashcam footage.

## Scope

This policy applies to all employees operating motor vehicles insured by Freightx Group of Companies Inc. It covers both company-owned vehicles and vehicles owned by independent contractors.



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## Dashcam Placement and Usage

Dashcams should be installed in a position that provides an unobstructed view of the road ahead, interior of cab (Both Driver and passenger), and captures relevant activities within and around the vehicle. Employees should not tamper with or obstruct the dashcams in any way.

## Date Privacy and Consent

Employees should be made aware that dashcam recordings may capture their actions and behaviours. By operating any Freightx Group of Companies Inc. dashcams you are hereby agreeing to the terms of this policy.

## Recording and Storage:

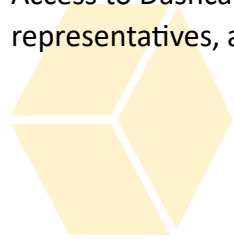
Dashcams will automatically record when the vehicle is started and will stop when turned off. All recordings are uploaded directly to a cloud service and are visible to authorized company personnel for legitimate purposes, such as accident investigations, driver training or resolving disputes.

### Retention Period

Dashcam footage is stored for 60 days. In the event of an accident or claim, recordings will be stored for 5 years. After this 5 year period, recordings will be securely deleted or overwritten to protect employee privacy.

### Access to Recordings

Access to Dashcam recordings is authorized to Management, safety officers, legal representatives, and insurance agencies.



**FREIGHTX**  
Driver Behaviour and Coaching  
GROUP OF COMPANIES INC.

Freightx Group of Companies Inc. utilizes AI powered dashcams which will alert employees and management of any unsafe behaviours that may be committed. Alerts include but are not limited to:

- Speeding Violations
- Cell Phone Usage
- Distracted Driving
- Hard Braking
- Seat Belt Violation
- Hard Cornering
- Delayed Response
- Smoking
- Unsafe Lane Change
- Drowsiness
- Traffic Signal Violations
- Close Following

- Hard Acceleration

Freightx Group of Companies Inc. will utilize these reports to address and train employees on unsafe driving habits, promote adherence to company policies, and enhance overall driver safety. Each occurrence will be treated as a category 1 offence (Refer to Employee Discipline Policy – Employee Misconduct. Disciplinary Violations of state or provincial laws which are a direct result of neglectful behaviour) and will be subject to disciplinary steps outlined.

### Incident Reporting and Investigation

Employees should report any incidents, accidents or near misses promptly to management. Dashcam footage can be used to assist in accident investigations, insurance claims, and resolving disputes with other parties involved.

