

Claims and Incident Response Policy

Commercial Trucking and Logistics Operations — Enterprise Operational Compliance

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⚠️ CONTROLLED DOCUMENT NOTICE

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Table of Contents

- 1. Purpose and Scope
- 2. Regulatory and Legal References
- 3. Definitions
- 4. Incident Reporting Requirements
- 5. Cargo Claim Initiation Procedure
- 6. Incident Investigation Procedure

- 7. Evidence Preservation and Chain of Custody
- 8. Cargo Claim Resolution Workflow
- 9. Insurance Coordination
- 10. Post-Incident Corrective Action
- 11. Driver Support and Rights
- 12. Roles and Responsibilities
- 13. Claims Performance Metrics and Reporting
- 14. Non-Compliance and Enforcement
- 15. Policy Review and Amendment
- App.** Appendices A – E

1. Purpose and Scope

1.1 Purpose

This policy establishes uniform, enterprise-wide procedures for the timely reporting, thorough documentation, structured investigation, and equitable resolution of cargo claims and vehicular incidents arising from company operations. It is designed to protect the company's legal and financial interests, fulfill all applicable regulatory obligations, and ensure consistent, professional handling of claims and incident events at every level of the organization.

The company is committed to maintaining the highest standards of safety, regulatory compliance, and operational integrity. This policy reflects that commitment by providing clear, mandatory protocols that every covered party is expected to follow without exception.

1.2 Scope

This policy applies to all individuals and functions involved in any claim or incident arising from or related to company operations, including but not limited to:

- **Drivers (company employees and leased operators)** — All drivers operating under the company's USDOT authority or on behalf of the company.

- **Operations Staff** — Dispatchers, load planners, fleet coordinators, and TMS users.
- **Safety and Compliance Personnel** — Safety directors, compliance coordinators, and safety administrators.
- **Management and Leadership** — Operations managers, directors, and the COO as defined in the authority matrix herein.
- **Administrative and Support Staff** — Human resources, accounting, and legal support personnel involved in any aspect of claim or incident processing.

This policy governs all incidents and claims involving company equipment, company cargo, third-party cargo under company custody, company personnel, third-party property, and environmental releases arising from company operations.

SCOPE NOTE

Independent contractors operating under their own authority are not covered by this policy; however, incidents involving company-tendered loads may trigger coordination obligations as described herein. Refer to carrier agreements for contractor-specific requirements.

2. Regulatory and Legal References

This policy is promulgated in compliance with and with reference to the following federal statutes, regulations, and applicable insurance obligations. All personnel must be aware of these references as they establish the legal framework within which this policy operates.

Reference	Citation / Authority	Relevance
Principles and Practices for the Investigation and Voluntary Disposition of Loss and Damage Claims	49 CFR Part 370	Governs carrier obligations for processing, acknowledging, and resolving freight and cargo claims; establishes

Reference	Citation / Authority	Relevance
		mandatory timelines.
Carmack Amendment	49 U.S.C. § 14706	Federal statute establishing carrier liability for loss or damage to goods transported in interstate commerce; sets the legal standard for cargo claim liability and damage recovery.
FMCSA Accident Recordkeeping Requirements	49 CFR § 390.15	Requires maintenance of an accident register for all DOT-recordable accidents for a minimum of three (3) years; defines reportable accident criteria.
DOT Accident Report Thresholds	49 CFR § 390.5; 49 CFR Part 395	Defines the criteria triggering DOT-recordable accident status including injury, fatality, and vehicle disablement thresholds.
Post-Accident Drug and Alcohol Testing	49 CFR Part 382	Mandates testing timelines following DOT-recordable accidents; establishes driver obligations and employer testing responsibilities.
State Insurance Reporting Requirements	Applicable state statutes (jurisdiction-specific)	Each state of operation may impose independent reporting obligations following vehicular accidents involving commercial motor vehicles. Operations staff must consult state-specific requirements.
Company Insurance Policy Obligations	Active policy(ies) on file with Director of Safety	All active insurance policies include prompt notice and cooperation obligations. Failure to comply may void coverage. FNOL and cooperation deadlines are non-negotiable.

⚠ IMPORTANT

Regulatory citations are accurate as of the effective date of this policy. The

Director of Safety and Compliance is responsible for monitoring regulatory changes and initiating policy updates as required. In the event of a conflict between this policy and applicable law, the more stringent standard shall govern.

3. Definitions

The following terms have specific meanings as used throughout this policy. All covered personnel are expected to be familiar with these definitions.

Term	Definition
Cargo Claim	A formal written demand by a shipper, consignee, or third-party claimant against the company for loss of, damage to, or delay of freight in the company's care, custody, or control. Also referred to as a freight claim.
Freight Claim	See Cargo Claim. Used interchangeably herein.
Accident — DOT-Recordable	An accident involving a commercial motor vehicle operating on a public road that results in: (a) a fatality; (b) a bodily injury to a person who, as a result of the injury, receives medical treatment away from the scene of the accident; or (c) one or more motor vehicles incurring disabling damage as a result of the accident requiring the vehicle to be transported away from the scene by a tow truck or other vehicle.
Accident — Non-Recordable	An accident not meeting the DOT-recordable threshold. Non-recordable accidents are still subject to internal reporting and investigation requirements under this policy.
Incident	Any unplanned event arising from company operations that results in, or has potential to result in, injury, property damage, cargo loss, environmental release, or regulatory exposure. Includes near-misses, property damage events, and environmental releases.
Near-Miss	An unplanned event that did not result in

Term	Definition
	injury, damage, or loss but had the potential to do so. Near-misses are reportable under this policy and are subject to investigation.
Preventable Accident	An accident in which the driver failed to do everything that reasonably could have been done to avoid the accident. Preventability is determined by the Director of Safety and Compliance based on investigation findings, not solely on a determination of legal fault.
Non-Preventable Accident	An accident in which the driver exercised all reasonable care and could not have avoided the accident through any reasonable action.
Subrogation	The legal right of the company or its insurer to pursue a third party responsible for an insurance loss after the company or insurer has compensated the claimant. All claim files must include a subrogation assessment at closure.
Third-Party Claimant	Any individual, business, or entity not a party to the company's insurance policy who makes a claim against the company for bodily injury, property damage, or cargo loss arising from company operations.
Preservation of Evidence	The obligation to identify, protect, and maintain all physical, digital, and documentary evidence relevant to a claim or incident from the moment the company becomes aware of a potential legal or regulatory exposure.
First Notice of Loss (FNOL)	The initial notification provided to the company's insurance broker or insurer following an incident or claim event. FNOL must be submitted in accordance with insurance policy requirements and the timelines established in Section 9 of this policy.
Litigation Hold	A formal directive issued when litigation is reasonably anticipated or initiated, requiring the suspension of all routine document destruction schedules and the preservation of all potentially relevant information, including electronic data. Triggered as described in Section 7.3.

4. Incident Reporting Requirements

4.1 Driver Immediate Obligations at Scene

Upon involvement in any accident or incident, the driver must immediately and in the following order:

1. **Secure the scene.** If it is safe to do so, activate hazard lights, set out emergency triangles or flares, and move vehicles out of the travel lane only if required by law or if remaining presents immediate danger. Do not move vehicles beyond what is legally required without law enforcement direction.
2. **Call 911.** Contact emergency services immediately if there is any injury (however minor), any fatality, significant property damage, fuel or cargo spill, or if any party requests emergency assistance. Do not make this determination alone — when in doubt, call 911.
3. **Notify Dispatch within 15 minutes.** Contact the assigned dispatcher by telephone as soon as the scene is secured and emergency services have been contacted. Provide: exact location, nature of the incident, vehicles involved, apparent injuries, and police response status.
4. **Photograph the scene comprehensively.** Using the company-issued device or personal device, photograph: all involved vehicles (all angles), all visible damage, road and weather conditions, skid marks, debris, traffic signage, mile markers or GPS coordinates, cargo condition, and any contributing environmental factors.
5. **Make no admission of fault.** Do not apologize, accept responsibility, or make any statements that could be construed as an admission of liability to any party, including law enforcement. Provide factual information only.
6. **Obtain the police report number.** If law enforcement responds, obtain the responding officer's name, badge number, agency, and the assigned case or report number before leaving the scene.

7. **Collect witness information.** Obtain the full name, telephone number, and address of all available witnesses. Do not solicit statements — collect contact information only.
8. **Complete the Accident Scene Checklist.** See Appendix A for the required documentation checklist to be completed at the scene or immediately upon dispatch notification.

⚠ CRITICAL: NO ADMISSIONS OF FAULT

Any admission of fault, apology, or acceptance of liability made by a driver at the scene may be used as evidence in legal proceedings and can compromise the company's insurance coverage. Drivers must limit communications at the scene to factual, descriptive information only. Refer all inquiries from third parties or media to the Director of Safety and Compliance.

4.2 Dispatch Notification Protocol

Upon receiving an incident notification from a driver, dispatch personnel must immediately execute the following protocol:

9. Document the time, driver identity, load number, location, and incident details in the TMS incident log within 15 minutes of notification.
10. Flag the load and equipment in the TMS with the appropriate incident status code.
11. Notify the Director of Safety and Compliance (or designated on-call Safety personnel) within **30 minutes** of receiving driver notification, regardless of time of day or day of week.
12. Initiate notification to the insurance broker per current insurance policy requirements. Do not delay broker notification pending investigation findings.
13. If the incident involves cargo, notify the shipper and/or consignee as required under the applicable bill of lading or service agreement.
14. Arrange substitute transportation or load recovery resources as directed by operations leadership.

4.3 DOT-Recordable Accident Criteria

An accident is classified as DOT-Recordable and must be entered into the company's DOT Accident Register (see Appendix E) if it meets any one of the following criteria:

Criterion	Threshold	Action Required
Bodily Injury	Any person receives medical treatment beyond first aid as a result of the accident	DOT Register entry; FNOL; post-accident testing; full investigation
Fatality	Any person dies as a result of the accident (any timeframe)	DOT Register entry; immediate FNOL; post-accident testing; legal notification; full investigation
Disabling Vehicle Damage	One or more vehicles must be towed from the scene as a result of disabling damage	DOT Register entry; FNOL; post-accident testing; full investigation

Non-DOT-recordable accidents and all near-misses are still subject to internal reporting and investigation under this policy. Failure to report any incident, regardless of severity, is a policy violation subject to disciplinary action per Section 14.

5. Cargo Claim Initiation Procedure

5.1 Claim Receipt and Logging

All cargo claim submissions received by any company personnel — whether by mail, email, fax, TMS notification, or verbal notification — must be immediately forwarded to the Safety and Compliance Coordinator and logged in the claims management system within one (1) business day of receipt. A unique claim file number shall be assigned to each claim upon logging.

5.2 Acknowledgment Timeline

In compliance with 49 CFR § 370.9, the company must acknowledge receipt of each cargo claim in writing within **30 days** of receipt. The acknowledgment must:

- Confirm receipt of the claim and the assigned claim file number;
- Identify the claims handler assigned to the file;
- Request any additional documentation needed to process the claim; and
- Advise the claimant of the company's investigation and resolution process.

5.3 Claim File Assembly

A complete cargo claim file must contain the following documentation. See Appendix B for the full Cargo Claim File Assembly Checklist.

Document	Source	Required
Original Bill of Lading (BOL)	TMS / Driver paperwork	Yes — Mandatory
Signed Delivery Receipt / Proof of Delivery (POD)	Driver / Consignee	Yes — Mandatory
Exception Notations / Delivery Exceptions	POD / Driver report	Yes, if applicable
Photographs of Cargo and Vehicle	Driver / Scene documentation	Yes, if applicable
Weight Tickets / Scale Receipts	Driver / Shipper	Yes, if applicable
Claimant's Written Claim with Supporting Invoices	Claimant	Yes — Mandatory
Carrier Invoice / Freight Bill	Billing / TMS	Yes — Mandatory
ELD / GPS Data for Load	ELD provider / TMS	Required for all claims over \$500
Temperature / Monitoring Records (if applicable)	Reefer unit / Monitoring system	Required for refrigerated cargo claims
Seal Condition Documentation	Driver / Delivery report	Required for sealed load claims

5.4 Claim Eligibility Screening

Upon file assembly, the Safety and Compliance Coordinator shall conduct an initial eligibility screening to assess:

- Whether the claim was filed within the applicable statute of limitations (two years under Carmack Amendment; shorter periods may apply under contract);

- Whether the claimed loss occurred during the company's period of responsibility;
- Whether applicable bill of lading terms, released valuation clauses, or service contract provisions limit or exclude liability;
- Whether an Act of God, public enemy, shipper fault, or public authority defense may apply.

Any claim determined to be potentially outside the company's liability must be referred to the Operations Manager and, as appropriate, Legal Counsel prior to any written response to the claimant.

5.5 Formal Acknowledgment Letter

The formal written acknowledgment letter shall be issued by the Safety and Compliance Coordinator within the 30-day window established in Section 5.2. All acknowledgment letters must be reviewed by the Operations Manager prior to issuance for any claim exceeding \$2,500.

6. Incident Investigation Procedure

6.1 Investigation Triggers

A formal incident investigation is mandatory for all of the following:

- All DOT-recordable accidents (as defined in Section 4.3);
- All cargo claims with a claimed value at or above **\$500**;
- Any incident involving bodily injury to any person, regardless of severity;
- Any confirmed or suspected cargo theft;
- Any rollover or jackknife event, regardless of resulting damage;
- Any incident involving a hazardous materials spill or release;
- Any incident resulting in property damage estimated at \$1,000 or more; and
- Any near-miss as determined by the Director of Safety to warrant investigation.

6.2 Investigation Steps

All investigations shall be conducted systematically and documented in the company's standard investigation report format. The following steps are required:

Step	Action	Responsible Party	Deadline
1	Scene preservation directive issued; equipment hold placed if applicable	Director of Safety	Within 2 hours of notification
2	Evidence collection checklist initiated (physical and digital)	Safety Compliance Coordinator	Within 4 hours of notification
3	Driver written statement obtained	Director of Safety	Within 4 hours of incident (or return from hospital)
4	Witness statements collected	Safety Compliance Coordinator	Within 24 hours
5	ELD data pull and export	Safety Compliance Coordinator / IT	Within 24 hours
6	Dashcam footage retrieval and preservation	Safety Compliance Coordinator / IT	Within 24 hours — CRITICAL: footage auto-deletes
7	GPS and TMS data export and preservation	Safety Compliance Coordinator / IT	Within 24 hours
8	Post-accident drug and alcohol testing initiated	Director of Safety / Dispatch	See Section 6.2.1 — time-critical
9	Police report and third-party information obtained	Safety Compliance Coordinator	Within 48 hours
10	Preliminary investigation report issued	Director of Safety	Within 48 hours of incident
11	Full investigation report issued with preventability determination	Director of Safety	Within 14 calendar days of incident

6.2.1 Post-Accident Drug and Alcohol Testing

Following any DOT-recordable accident, post-accident drug and alcohol testing is mandatory per 49 CFR Part 382. The following timelines are absolute and may not be extended:

- **Alcohol testing:** Must be conducted within **2 hours** of the accident. If testing cannot be completed within 2 hours, the attempt must be documented with reasons. Testing cannot occur after 8 hours have elapsed.
- **Drug (controlled substance) testing:** Must be conducted within **32 hours** of the accident. If testing is not completed within 32 hours, the attempt must be documented with reasons, and testing must cease.

Refer to Appendix C (Post-Accident Drug and Alcohol Testing Decision Tree) for the complete decision framework, including circumstances where testing may not be required.

⚠ **TESTING WINDOW IS NON-NEGOTIABLE**

Missing the post-accident testing window is a serious regulatory violation and may result in FMCSA enforcement action. The Director of Safety must be notified immediately when any DOT-recordable accident occurs, at any hour, to ensure testing is coordinated without delay. A driver who refuses post-accident testing will be immediately placed out of service pending investigation.

6.3 Preventability Determination

Upon completion of the investigation, the Director of Safety and Compliance shall render a preventability determination in writing using the following criteria and process:

- **Preventable:** The driver failed to take all reasonable, available actions that could have avoided the accident. Factors include speed relative to conditions, following distance, distraction, fatigue indicators, and failure to observe traffic controls.

- **Non-Preventable:** The evidence demonstrates the driver exercised reasonable care throughout and the accident could not have been avoided by any reasonable action.
- **Undetermined:** Insufficient evidence exists to render a determination. Additional investigation steps required.

The Director of Safety's determination is documented in the investigation report and communicated to the driver in writing. A driver who disagrees with a preventability determination may submit a written appeal to the COO within 10 business days of notification. The COO's decision is final.

6.4 Investigation Timeline Summary

- **Preliminary report:** Within 48 hours of incident notification.
- **Full investigation report:** Within 14 calendar days of incident.
- **Preventability determination:** Issued with full investigation report.
- **Corrective action plan (if applicable):** Within 7 days of full investigation report.

7. Evidence Preservation and Chain of Custody

7.1 Physical Evidence

All physical evidence related to an incident or cargo claim must be identified, secured, and preserved from the moment of incident notification. Physical evidence includes but is not limited to:

- **Damaged cargo:** Do not dispose of, repair, or alter damaged freight pending inspection by the company, insurer, or independent adjuster. Photograph and segregate.
- **Cargo seals:** Retain all seals (intact or broken) as evidence. Document seal numbers on driver's delivery receipt.
- **Vehicle and equipment:** Do not authorize repair of company equipment involved in a DOT-recordable accident without written authorization from the

Director of Safety. Independent inspection may be required before repairs are permitted.

- **Packaging materials:** Retain all original packaging for damage assessment.

7.2 Digital Evidence

Digital evidence is often the most critical and most volatile form of evidence. The following must be preserved immediately upon incident notification:

Evidence Type	Source	Preservation Action	Priority
ELD Data	ELD provider portal / onboard device	Export full trip data for incident date and prior 7 days; store in locked claim file	Immediate
Dashcam Footage	Onboard camera system	Download to secure storage immediately; do not allow routine overwrite	Critical — immediate
GPS / Telematics Data	Fleet management platform	Export and archive location and speed data; lock in claim file	Within 24 hours
TMS Records	Transportation Management System	Print and/or export load history, dispatch logs, communications	Within 24 hours
Communication Logs	Dispatch system, company phones, email	Preserve all driver-dispatch communications from incident window	Within 24 hours
Fuel and Maintenance Records	Fleet maintenance system	Pull and preserve relevant vehicle maintenance and inspection history	Within 48 hours

7.3 Litigation Hold Procedure

A litigation hold is immediately triggered upon any of the following events:

- Receipt of a demand letter, complaint, or notice of intent to sue from any claimant or attorney;

- Direction from Legal Counsel that litigation is reasonably anticipated;
- Service of any legal process (summons, subpoena, discovery request); or
- Notification from the company's insurer of a coverage dispute or reservation of rights.

Upon trigger, the Director of Safety shall issue a written Litigation Hold Notice to all relevant personnel including, at minimum: IT, Operations, HR, the assigned dispatcher(s), and the driver(s) involved. The hold notice shall:

- Identify the incident, load, and claim number;
- Define the scope of materials subject to hold;
- Direct an immediate moratorium on destruction or alteration of any related records; and
- Require written acknowledgment from each recipient.

The litigation hold remains in effect until formally released in writing by Legal Counsel or the Director of Safety after resolution of the matter.

7.4 Evidence Retention Schedule

All claim and accident files, including all physical and digital evidence components, must be retained for a minimum of **five (5) years** from the date of incident or final claim closure, whichever is later. This retention period exceeds the 49 CFR § 390.15 three-year minimum for DOT accident registers and reflects the company's risk management standards and applicable statutes of limitation.

⚠ EVIDENCE DESTRUCTION IS A FEDERAL AND CIVIL OFFENSE

Intentional destruction or alteration of evidence following an incident or claim is a violation of this policy, may constitute spoliation of evidence under applicable law, and may expose the company and individual personnel to serious civil and criminal liability. Any destruction of evidence — intentional or inadvertent — must be reported to the Director of Safety immediately.

8. Cargo Claim Resolution Workflow

8.1 Claim Validation

Following claim file assembly and eligibility screening, the Safety and Compliance Coordinator shall validate the claim by confirming:

- The claimed commodity was in the company's custody at the time of alleged loss or damage;
- The loss or damage occurred during transit and not prior to pickup or after final delivery;
- The claimant has legal standing to submit the claim (shipper, consignee, or authorized assignee); and
- The claimed amount is supported by documented evidence (invoices, repair estimates, replacement cost documentation).

8.2 Liability Assessment

Liability assessment under the Carmack Amendment (49 U.S.C. § 14706) establishes a presumption of carrier liability upon proof of delivery in good condition and delivery in damaged or lost condition. The company may rebut this presumption by demonstrating one of the following affirmative defenses:

- **Act of God:** Damage caused by extraordinary natural events beyond any reasonable anticipation;
- **Act of public enemy:** Damage caused by military force or hostile action;
- **Act of shipper:** Damage attributable to improper packaging, loading, or labeling by the shipper;
- **Act of public authority:** Damage arising from governmental seizure or legal process; or
- **Inherent vice:** Damage inherent in the nature of the commodity itself.

Any defense assertion must be documented in writing in the claim file and reviewed by Legal Counsel before communicating to the claimant.

8.3 Damage Calculation

Cargo claim damages under the Carmack Amendment are calculated as the actual loss sustained by the claimant, measured as the difference between the market value of the goods at destination in the condition they should have arrived and the market value in the condition they actually arrived. Speculative, consequential, or punitive damages are generally not recoverable. Calculations must be documented with supporting market data.

8.4 Settlement Authority Matrix

All claim settlements must be authorized at the appropriate level per the following authority matrix. See Appendix D for the full authority matrix.

Settlement Amount	Authorized Decision-Maker	Documentation Required
Up to \$2,500	Operations Manager	Completed claim file; written settlement memo
\$2,501 - \$10,000	Director of Operations	Completed claim file; Director of Safety review; written settlement agreement
Above \$10,000	COO and/or Legal Counsel	Full investigation report; legal review; formal written settlement agreement; insurer notification
Any claim involving bodily injury	COO and Legal Counsel (mandatory)	Full investigation report; insurer authorization required prior to settlement

⚠ IMPORTANT: INSURER AUTHORIZATION

For any claim tendered to the company's insurer, no settlement may be made without written authorization from the insurer or adjuster. Settling without insurer authorization may void coverage for the settled claim. Always confirm insurer authorization status before settlement discussions begin.

8.5 Subrogation Assessment

At or prior to claim closure, the Safety and Compliance Coordinator must complete a subrogation assessment documenting whether any third party (another motor carrier, shipper, loading facility, equipment manufacturer, etc.) may be responsible in whole or in part for the loss. All viable subrogation opportunities must be referred to Legal Counsel or the insurer's subrogation unit for pursuit.

8.6 Claim File Closure Checklist

No claim file may be closed until the following are confirmed:

- Settlement payment issued or denial letter sent;
- Signed release obtained (for all settlements above \$1,000);
- Subrogation assessment documented;
- All digital and physical evidence archived per Section 7.4;
- Claim entered and closed in claims management system; and
- Shipper notified of claim disposition in writing.

9. Insurance Coordination

9.1 First Notice of Loss (FNOL) Procedure

FNOL must be submitted to the company's insurance broker following any DOT-recordable accident, any cargo claim exceeding \$500, any incident involving bodily injury, or any incident with potential for significant property damage. FNOL is time-critical and must not be delayed for investigation findings.

The following information must be assembled before or concurrent with FNOL submission:

- Date, time, and exact location of incident;
- Driver name, CDL number, and employment status;
- Vehicle unit number(s), VIN(s), license plate(s);
- Brief factual description of incident (no admissions or speculation);

- Third-party information (name, insurance carrier, vehicle, contact information);
- Police report number and responding agency;
- Known or estimated damages;
- Load and shipper information (for cargo claims); and
- Known or suspected injuries.

9.2 Broker Contact Directory

The current insurance broker contact directory is maintained on file with the Director of Safety and Compliance and the Operations Manager. All dispatch supervisors must have access to after-hours emergency broker contact information. The contact directory is reviewed and updated no less than annually.

9.3 Cooperation Obligations

All company personnel involved in any claim or incident are required to fully cooperate with the company's insurer, independent adjuster, and defense counsel. Cooperation obligations include:

- Providing timely access to all requested documents and records;
- Making personnel available for statements and depositions as required;
- Preserving evidence as directed; and
- Refraining from making any public statements, social media posts, or communications about the incident without authorization from Legal Counsel.

9.4 Reservation of Rights Awareness

If the company receives a reservation of rights letter from any insurer, the Director of Safety must immediately notify the COO and Legal Counsel. A reservation of rights letter indicates the insurer is providing a defense while reserving the right to deny coverage. This situation requires legal analysis and may necessitate appointment of independent defense counsel.

9.5 Independent Adjuster Coordination

When an independent adjuster is appointed by the insurer, the Safety and Compliance Coordinator serves as the primary company liaison. All adjuster

requests for information, inspection access, or statements must be routed through the Safety and Compliance Coordinator with Director of Safety oversight.

9.6 Recorded Statement Protocol

No driver or employee may provide a recorded statement to any insurer (including the company's own insurer), claimant attorney, or third party without prior notification to and clearance from the Director of Safety and, when litigation is pending or anticipated, Legal Counsel.

10. Post-Incident Corrective Action

10.1 Root Cause Analysis

A formal root cause analysis (RCA) is required for all DOT-recordable accidents and all preventable accidents as determined under Section 6.3. The RCA must identify contributing factors in each of the following categories, where applicable:

- **Driver behavior:** Speed, distraction, impairment, fatigue, experience level;
- **Vehicle and equipment:** Mechanical condition, maintenance compliance, defects;
- **Environmental conditions:** Weather, road condition, lighting;
- **Operational factors:** Scheduling pressure, dispatch decisions, load characteristics;
- **Systemic factors:** Training gaps, policy deficiencies, inadequate supervision; and
- **Third-party factors:** Actions of other motorists, shippers, receivers.

10.2 Corrective Action Plan

The Director of Safety shall develop a written Corrective Action Plan (CAP) within 7 calendar days of the issuance of the full investigation report. The CAP must include:

- Identified root causes and contributing factors;
- Specific corrective actions with assigned responsible parties;
- Target completion dates for each corrective action;

- Verification method for each action; and
- Escalation pathway if corrective actions are not completed on time.

10.3 Driver Coaching Documentation

For all preventable accidents, the Director of Safety or designated supervisor must conduct a formal coaching session with the driver. The coaching session must be documented in writing and placed in the driver's qualification file and the incident file. Documentation must include: date of coaching, topics discussed, driver acknowledgment, and any performance improvement plan established.

10.4 Equipment Repair Verification

All vehicles involved in incidents requiring mechanical repair must receive a documented pre-return inspection by a qualified technician before being returned to revenue service. The inspection must be documented and the vehicle cleared by the Director of Safety before dispatch.

10.5 Systemic Issue Escalation

Where root cause analysis identifies systemic issues (recurring patterns, policy gaps, fleet-wide equipment concerns, or training deficiencies), the Director of Safety must present findings to Operations leadership within 30 days. A corrective action plan addressing systemic issues must be reviewed and approved by the COO.

11. Driver Support and Rights

11.1 Post-Accident Support Resources

The company recognizes that involvement in a serious accident is a traumatic experience. The following support resources are available to all drivers following any significant incident:

- **Employee Assistance Program (EAP):** Confidential counseling and support services available 24/7. Contact information maintained by HR and the Director of Safety.

- **Legal Referral List:** A list of attorneys approved for driver consultation (at the driver's personal expense) is maintained by HR. Drivers are encouraged to seek independent legal counsel in cases involving serious injury or fatality.
- **Peer Support:** The company will facilitate, where possible, connection with peer support resources in coordination with HR.

11.2 Driver Rights During Investigation

During any investigation conducted under this policy, drivers retain the following rights:

- The right to provide a written statement in their own words;
- The right to review any written statement attributed to them before signing;
- The right to request the presence of a company representative during any formal recorded statement;
- The right to be informed of the investigation findings and preventability determination; and
- The right to appeal the preventability determination as described in Section 6.3.

11.3 Anti-Retaliation Protections

No driver or employee shall be subject to retaliation, harassment, demotion, reduction in pay, or termination for good-faith reporting of any accident, incident, near-miss, or cargo claim in accordance with this policy. Retaliation in any form is a serious violation of company policy and applicable law, including 49 U.S.C. § 31105 (Surface Transportation Assistance Act whistleblower protections). Any suspected retaliation must be reported immediately to HR and the COO.

11.4 Return-to-Service Criteria

A driver involved in a DOT-recordable accident may not return to service until:

- Post-accident drug and alcohol test results are negative (or testing requirements have been documented as not applicable);
- The driver has been medically cleared if injury was sustained;
- The Director of Safety has authorized return to service in writing; and

- Any required coaching or remedial training has been completed or scheduled.

12. Roles and Responsibilities

The following table defines the primary responsibilities of all parties involved in claims and incident response under this policy.

Role	Primary Responsibilities	Reporting Obligation
Driver	Immediate scene obligations (Section 4.1); complete Accident Scene Checklist (Appendix A); provide timely written statement; cooperate fully with investigation; submit to post-accident testing; attend coaching sessions.	To Dispatch within 15 minutes of incident
Dispatch	Receive and document driver notification; flag TMS; escalate to Safety Director within 30 minutes; initiate broker notification; coordinate driver support resources.	To Director of Safety within 30 minutes; to Broker per policy
Safety Compliance Coordinator	Manage claim file assembly; coordinate evidence preservation; execute ELD and dashcam data pull; draft acknowledgment letters; coordinate adjuster access; maintain DOT accident register; track corrective actions.	To Director of Safety on all matters; to Operations Manager on claim status
Operations Manager	Approve claim acknowledgment letters over \$2,500; authorize settlements up to \$2,500; coordinate substitute transportation; ensure operational continuity; review CAP implementation.	To Director of Operations and Director of Safety
Director of Safety and Compliance	Lead all incident investigations; issue preliminary and full reports; render preventability determinations; issue litigation holds; coordinate	To COO on all DOT-recordable accidents and claims above \$5,000; to COO on systemic issues

Role	Primary Responsibilities	Reporting Obligation
	insurer and adjuster relations; manage DOT compliance; present systemic findings to leadership; maintain policy currency.	
Director of Operations	Authorize settlements \$2,501-\$10,000; review and approve CAPs with systemic implications; ensure operational corrective actions are implemented; support Safety Director in resource needs.	To COO on claims and CAPs
Insurance Broker / Adjuster	Receive FNOL; assign adjuster; coordinate coverage analysis; facilitate settlement authority; issue reservation of rights if applicable; manage subrogation pursuit.	To insurer; to Director of Safety on all actions taken
Legal Counsel	Advise on litigation hold; review claim denials and defenses; authorize recorded statements in litigation; negotiate and document high-value settlements; manage litigation; advise on coverage disputes.	To COO and Director of Safety
Human Resources	Administer EAP referrals; manage driver coaching documentation in personnel files; enforce anti-retaliation policy; coordinate return-to-service clearances; manage progressive discipline per Section 14.	To Director of Safety and COO on personnel matters
Chief Operating Officer (COO)	Authorize settlements above \$10,000; approve systemic CAPs; receive quarterly claims performance reports; adjudicate preventability determination appeals; final authority on policy interpretation disputes.	To ownership/Board as required

13. Claims Performance Metrics and Reporting

13.1 Monthly Claims Report

The Safety and Compliance Coordinator shall prepare and distribute a monthly claims performance report to the Director of Safety and Operations Manager no later than the 10th business day of each month. The report must include the following metrics:

Metric	Definition	KPI Target
Total Open Claims	All cargo and incident claims currently in active status	Trending downward quarter-over-quarter
Total Claims Closed (Monthly)	Claims closed during the reporting month	Close rate $\geq$ 75% of claims opened in prior month
Average Claim Resolution Time	Average days from claim receipt to final disposition	$\leq$ 90 days for cargo claims; $\leq$ 180 days for accident claims
Total Claim Reserves	Aggregate estimated reserve for all open claims	Reviewed against budget; flagged if exceeds threshold
Subrogation Recoveries (Monthly / YTD)	Amounts recovered from third parties via subrogation	Positive recovery trend; all viable subrogation pursued
DOT-Recordable Accident Rate	Number of DOT-recordable accidents per million miles driven	At or below industry benchmark; year-over-year reduction
Preventable Accident Rate	Number of preventable accidents as % of total accidents	$\leq$ 50% of total accidents classified as preventable
Claims Compliance Rate	% of claims with acknowledgment letter issued within 30-day requirement	100% — no exceptions permitted

13.2 Quarterly Review

The Director of Safety shall present a quarterly claims and safety performance report to the COO. The quarterly report must include all monthly metrics, trend analysis, systemic findings, corrective action status, and an updated reserve forecast.

13.3 DOT Accident Register

The company shall maintain a DOT Accident Register in compliance with 49 CFR § 390.15. The register must contain, for each DOT-recordable accident: date, city and state, driver's name, number of injuries, number of fatalities, whether hazardous materials were released, and whether a citation was issued. The register must be available for inspection by FMCSA and must be retained for a minimum of three (3) years. See Appendix E for the DOT Accident Register template. The company's minimum retention standard of five (5) years per Section 7.4 supersedes the regulatory minimum.

14. Non-Compliance and Enforcement

14.1 Violations Subject to Discipline

The following violations of this policy are subject to disciplinary action, up to and including termination of employment and referral to regulatory authorities:

Violation	Classification	Minimum Action
Failure to report an incident or claim within required timeframes	Serious	Written warning; mandatory retraining
Failure to complete post-accident drug and alcohol testing when required	Critical	Immediate removal from service; investigation; possible termination
Admission of fault at the scene without authorization	Serious	Written warning; mandatory retraining; documented coaching
Failure to preserve evidence as directed	Serious to Critical (based on intent)	Investigation; written warning to termination depending on findings
Intentional destruction, alteration, or concealment of evidence	Critical / Potential Criminal	Immediate suspension; termination; referral to Legal Counsel and applicable authorities
Providing a false or misleading statement in connection with an investigation	Critical	Immediate suspension; termination; possible regulatory referral
Unauthorized settlement of a claim outside authority	Serious	Written reprimand; recovery of unauthorized

Violation	Classification	Minimum Action
matrix		payment; possible termination
Retaliation against a driver or employee for good-faith reporting	Critical	Immediate investigation; termination of retaliating party; legal exposure review

14.2 Progressive Discipline

Non-compliance violations will generally be addressed through progressive discipline: verbal warning, written warning, suspension, and termination. However, violations classified as Critical may result in immediate suspension or termination without progressive steps, depending on the severity and findings of the investigation. All disciplinary actions must be documented and placed in the employee's personnel file by HR.

15. Policy Review and Amendment

15.1 Annual Review

This policy shall be reviewed in its entirety no less than annually by the Director of Safety and Compliance, with any recommended amendments submitted to the COO for approval. The review cycle shall be completed prior to the anniversary of the effective date.

15.2 Trigger Reviews

In addition to the annual review, an immediate policy review may be triggered by any of the following events:

- Any DOT-recordable accident resulting in fatality or serious injury;
- Any adverse court ruling or regulatory enforcement action related to a claim or incident handled under this policy;
- A significant change in applicable federal or state regulations;
- A material change in company insurance coverage or carrier; or
- Identification of a systemic policy gap by the Director of Safety or COO.

15.3 Version Control

All amendments to this policy must be documented with a revised version number, effective date, and summary of changes. Superseded versions must be archived by the Director of Safety and Compliance and retained in accordance with the company's document retention standards. Distribution of the current version to all covered personnel must be confirmed upon each revision, with acknowledgment signatures documented.

Policy Approval and Authorization

This policy has been reviewed, approved, and authorized for implementation effective July 16, 2026. By approving this policy, the undersigned authorities confirm that it accurately reflects company operating standards and regulatory obligations as of the effective date.

Role	Name / Title	Signature	Date
Policy Owner	Director of Safety and Compliance		July 16, 2026
Approving Authority	Chief Operating Officer		July 16, 2026
Legal Review	Legal Counsel		

APPENDIX A

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Accident Scene Checklist

To be completed by the driver at or immediately following the scene of any accident or incident. Submit to Dispatch within 2 hours of incident.

Incident Date / Time: _____ **Load / Trip #:**

Driver Name: _____ **Unit #:** _____

Trailer #: _____

Location (Address / Mile Marker / GPS):

#	Checklist Item	Completed	Notes
1	Hazard lights activated; scene secured safely	☐ Yes ☐ N/A	
2	911 called (if injury, fatality, significant damage, or spill)	☐ Yes ☐ N/A	Call time: _____
3	Dispatch notified within 15 minutes	☐ Yes	Time notified: _____
4	Photographs taken — all vehicles (all angles)	☐ Yes ☐ No	
5	Photographs taken — all damage (vehicle and cargo)	☐ Yes ☐ No	
6	Photographs taken — road and weather conditions	☐ Yes ☐ No	
7	Photographs taken — skid marks, debris, signage, mile marker	☐ Yes ☐ N/A	
8	No admission of fault made to any party	☐ Confirmed	
9	Police report number obtained (if law enforcement responded)	☐ Yes ☐ N/A	Report #: _____ Agency: _____
10	Officer name and badge number recorded	☐ Yes ☐ N/A	Officer: _____
11	Third-party driver information collected (name, license, insurance, vehicle)	☐ Yes ☐ N/A	
12	Witness names and	☐ Yes ☐ N/A	# of witnesses: _____

#	Checklist Item	Completed	Notes
	contact information collected		_____
13	Cargo condition documented (intact / damaged / spilled)	☐ Yes	Condition: _____
14	Seal condition documented (intact / broken / absent)	☐ Yes ☐ N/A	Seal #: _____
15	Injuries noted and documented	☐ Yes ☐ None apparent	
16	Driver confirmed understanding of no social media / public statement rule	☐ Confirmed	

Driver Signature: _____ **Date / Time:**

APPENDIX B

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Cargo Claim File Assembly Checklist

To be completed by the Safety and Compliance Coordinator upon receipt of a cargo claim. File must be complete before claim processing advances.

Claim File #: _____ **Claimant:** _____ **Date**

Received: _____

Load / BOL #: _____ **Claimed Amount:** \$ _____

Item	Document	Status	Date Obtained
1	Claimant's formal written claim with amount demanded	☐ Received ☐ Pending	

Item	Document	Status	Date Obtained
2	Original Bill of Lading (BOL)	☐ Received ☐ Pending	
3	Signed Delivery Receipt / Proof of Delivery (POD)	☐ Received ☐ Pending	
4	Exception notations documented on POD	☐ Yes ☐ None noted ☐ N/A	
5	Claimant's commercial invoices supporting claimed value	☐ Received ☐ Pending	
6	Photographs of damage (at scene and/or at delivery)	☐ Received ☐ None available	
7	Weight tickets / scale receipts	☐ Received ☐ N/A	
8	Carrier freight bill / invoice	☐ Received ☐ Pending	
9	ELD data export (if claim $\geq$ \$500)	☐ Exported ☐ Pending ☐ N/A	
10	GPS / telematics data export	☐ Exported ☐ Pending	
11	Temperature / monitoring records (reefer loads)	☐ Received ☐ N/A	
12	Seal condition and number documented	☐ Yes ☐ N/A	
13	Driver statement regarding cargo condition	☐ Obtained ☐ Pending	
14	Acknowledgment letter issued to claimant (within 30 days)	☐ Issued ☐ Pending	
15	Eligibility screening completed	☐ Complete	

Completed By: _____ **Date:** _____

APPENDIX C

Post-Accident Drug and Alcohol Testing Decision Tree

Reference: 49 CFR Part 382. This decision tree is for guidance only. Contact the Director of Safety immediately following any DOT-recordable accident.

Step	Question	If YES	If NO
1	Did the accident occur on a public road in the United States?	Proceed to Step 2	Testing may not be required under 49 CFR 382. Consult Director of Safety.
2	Was the driver operating a CMV requiring a CDL (GVWR > 26,001 lbs., or vehicle designed to transport 16+ passengers, or hazmat placard required)?	Proceed to Step 3	49 CFR 382 testing may not apply. Document and consult Director of Safety.
3	Did the accident result in: (a) a human fatality; OR (b) a bodily injury requiring medical treatment away from the scene; OR (c) a vehicle being towed from the scene due to disabling damage?	Testing REQUIRED. Proceed to Step 4.	Testing not required under 49 CFR 382. Complete internal report and notify Director of Safety.
4	Was the driver cited for a moving traffic violation arising from the accident? (Required if injury or tow involved)	Testing REQUIRED regardless of circumstances. Proceed to Step 5.	If NO citation and no fatality: review with Director of Safety. Fatality = testing always required regardless of citation.
5	Can alcohol testing be completed within 2 hours of the accident?	Administer alcohol test IMMEDIATELY. Document time.	Document reasons why testing could not be completed within 2 hours. Do

Step	Question	If YES	If NO
			not test after 8 hours have elapsed.
6	Can drug (controlled substance) testing be completed within 32 hours of the accident?	Administer drug test. Document time and collection site.	Document reasons why testing could not be completed within 32 hours. Do not test after 32 hours. Contact Director of Safety immediately.
7	Did the driver refuse to submit to post-accident testing?	Treat as a positive test result. Remove driver from service immediately. Notify Director of Safety and HR. Document refusal in writing.	Proceed with normal test processing. Await results before return to service authorization.

⚠ **REMINDER**

A driver who uses alcohol within 8 hours following an accident for which post-accident testing is required, or who refuses to remain readily available for testing, will be treated as if they tested positive. Drivers must not consume any alcohol or controlled substances after an accident until released from testing obligations by the Director of Safety.

APPENDIX D

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Settlement Authority Matrix

Effective July 16, 2026. All settlements must be documented with a signed settlement agreement and placed in the claim file. This matrix applies to both cargo claims and third-party property damage claims.

Settlement Amount	Authorized Party	Required Approvals	Documentation Required	Insurer Authorization Required?
\$0 - \$2,500	Operations Manager	Director of Safety notification	Completed claim file; written settlement memo signed by Operations Manager	Consult broker if claim tendered to insurer
\$2,501 - \$10,000	Director of Operations	Director of Safety review and sign-off; Operations Manager recommendation	Completed claim file; Director of Safety review memo; signed written settlement agreement; claimant release	Yes, if claim is under coverage
\$10,001 and above	COO (with Legal Counsel review)	Legal Counsel review; Director of Safety full investigation report; insurer written authorization	Full investigation report; legal review memo; formal written settlement agreement; signed release; insurer authorization letter	Yes — mandatory prior to any settlement discussion
Any amount — Bodily Injury Claims	COO and Legal Counsel (joint)	Insurer authorization; Legal Counsel clearance; COO approval	Full investigation report; medical records review; legal clearance memo; insurer authorization; formal settlement agreement with release	Yes — mandatory; no settlement without insurer written authorization
Any amount — Fatality Claims	COO and Legal Counsel (joint) with Board notification	All of the above plus Board of Directors notification	All documentation above plus Board notification record	Yes — mandatory

⚠ IMPORTANT: DENIAL AUTHORITY

Authority to deny a cargo claim in whole or in part follows the same matrix as settlement authority. All written denials must be reviewed by Legal Counsel before issuance for claims above \$10,000 or where litigation is anticipated. Denials must state specific legal and factual grounds; blanket denials are prohibited.

APPENDIX E

DOT Accident Register Template

Maintained by: Safety and Compliance Coordinator. Reviewed by: Director of Safety and Compliance. Required by: 49 CFR § 390.15. Minimum retention: 3 years from accident date (company standard: 5 years). Available for FMCSA inspection on demand.

Carrier Name: _____ **USDOT Number:**

Register Period: January 1, _____ through December 31, _____

Accident Date	City / State of Accident	Driver Name (Last, First)	Unit #	Number of Injuries	Number of Fatalities	HazMat Released?	Citation Issued?	Preventable?	Internal File #
						☐ Y ☐ N	☐ Y ☐ N	☐ Y ☐ N ☐ TBD	
						☐ Y ☐ N	☐ Y ☐ N	☐ Y ☐ N ☐ TBD	
						☐ Y ☐ N	☐ Y ☐ N	☐ Y ☐ N ☐ TBD	

Accid ent Date	City / State of Accid ent	Drive r Name (Last, First)	Unit #	Numb er of Injuri es	Numb er of Fatali ties	HazM at Relea sed?	Citati on Issue d?	Preve ntabl e?	Inter nal File #
						☐ Y ☐ N	☐ Y ☐ N	☐ Y ☐ N ☐ TBD	
						☐ Y ☐ N	☐ Y ☐ N	☐ Y ☐ N ☐ TBD	
						☐ Y ☐ N	☐ Y ☐ N	☐ Y ☐ N ☐ TBD	
						☐ Y ☐ N	☐ Y ☐ N	☐ Y ☐ N ☐ TBD	
						☐ Y ☐ N	☐ Y ☐ N	☐ Y ☐ N ☐ TBD	
						☐ Y ☐ N	☐ Y ☐ N	☐ Y ☐ N ☐ TBD	
						☐ Y ☐ N	☐ Y ☐ N	☐ Y ☐ N ☐ TBD	

Annual Summary: Total DOT-Recordable Accidents: _____ Total Injuries: _____
Total Fatalities: _____ Total HazMat Releases: _____

Register Certified By (Director of Safety): _____

Date: _____