



Company Car Program Policy

Applicability

This policy applies to all employees of Company X and its subsidiaries who participate in the Company Car Program.

Policy A.

1. The Company may assign Company vehicles to eligible employees via the Company Car Program. The Company has the sole right to determine eligibility for participation in the Company Car Program and the use of a Company vehicle. No employee is entitled to the use of a Company vehicle.
2. Definition - The Company Car Program covers a Company car assigned to a given employee/contractor for the purpose of conducting authorized Company business and driving, if necessary, between work and home. The Company Car Program does not include specialized work vehicles or vehicles assigned to executives.
3. Employees who may be eligible for the program are those who are fulltime employees, have field responsibility, perform rotational on-call duties and/or are required to mount Company equipment in their vehicle. Written approval from the business unit Vice President is required before employees may participate in the Company Car Program and take home Company vehicles.
4. In addition, the Company may authorize the use of Company vehicles if an employee's business usage exceeds 18,000 miles annually or for other special designated reasons, with written approval by the business unit Vice President.
5. Employees must at all times hold a valid driver's license that is not revoked or suspended in any state. As a condition of participation in the Company Car Program, employees are required to authorize the Company to check their driving records at any time.
6. The Company reserves the right to cancel an employee's eligibility to participate in the Company Car Program if such employee, in the sole discretion of the Company, has a record of repetitive accidents, revoked or suspended licenses, citations, extensive abuse of vehicles or a pattern of reckless or careless driving.
7. This policy does not alter any of the provisions covered by a collective bargaining agreement. Where conflicts between this policy and a collective

bargaining agreement occur, the collective bargaining agreement takes precedence.

B. Assignment of Vehicle

1. A Company vehicle subject to this policy may be assigned to:
 - a. Employees, with approval from the business unit Vice President.
 - b. Contractors, with approval from the business unit Vice President and the Legal organization.

C. Use of Vehicle

1. A Company vehicle subject to this policy may be driven only for authorized Company business by the employee to whom the car is assigned; or another employee or contractor possessing a valid driver's license which is not revoked or suspended in any state, for on shift use only, as designated by the business unit Director.
2. Personal use of a Company vehicle under this policy is strictly prohibited. Prohibited personal use of a Company vehicle includes, but is not limited to:
 - a. Evening or weekend use not specifically related to Company business.
 - b. Carrying any passengers in the vehicle who are not there for purposes specifically related to Company business.
3. The Company strictly prohibits any modification to the vehicle not approved by Fleet Operations; the use or attachment of trailer hitches; the towing or pushing of a car, trailer or any other device; or the use of the Company vehicle for any means other than basic transportation unless required for Company business.
4. Additional requirements regarding the use of Company vehicles are covered in Company X Energy Policy X, Driver's Licenses and/or Certification and Company X Energy Policy X, Fleet Management.

D. Vehicle Markings/Accessories

1. All Company vehicles designated, as part of the Company Car Program will be clearly marked with the Company X Energy approved corporate logo. Removal of corporate logos is strictly prohibited and could result in disciplinary action up to and including discharge.
2. All markings or vehicle accessories must be in compliance with established law and/or regulations.

E. Vehicle Accidents and Tickets

1. Traffic violations - Any citations, fines or charges issued against the driver on or by a court of law as a result of driving violations while operating a Company vehicle are strictly the driver's responsibility, regardless of whether incurred on or off duty. The driver will be required to pay for his or her own penalties and obtain and pay for any legal defense in connection therewith. Variations from this rule will be at the discretion of the business unit Vice President.
2. Citations or accidents minor in nature must be reported to both the driver's direct supervisor and Fleet Operations within 24 hours of the occurrence. If the citation or accident occurs outside of normal working hours, the report must be made on the next business day following the occurrence.
3. Serious accidents or accidents involving the public must be reported immediately to the driver's direct supervisor and Fleet Operations, and also reported per the guidelines established in Company X Energy Policy X, Driver's License and/or Certification.
4. In addition, incidents involving physical damage to vehicles and/or objects must be reported per guidelines established in Company X Energy Policy X, Fleet Management.

F. Responsibilities

1. The Fleet Director is responsible for coordinating and updating all changes to this policy.
2. Fleet Operations, Corporate Services, and management of the business units utilizing the Company Car Program are responsible for policy enforcement.
3. Management from each business unit is responsible for ensuring awareness of and providing guidance concerning this policy, and taking appropriate corrective action as necessary.